

their kitchen tables and look at their budgets with me? Will you listen to them and their ideas and their solutions so that these families can enjoy a piece of America's prosperity too? Mr. Secretary, will you do that? Will you not turn your back on them?

PRESIDENT SHOULD SUPPORT COALITION SUPPORTING FAIRER, SIMPLER TAX SYSTEM

(Mr. JONES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES. Mr. Speaker, I rise today to encourage the President to join the coalition supporting a fairer, simpler tax system. The President seems to think that the status quo is okay. He obviously has not been speaking to people in eastern North Carolina because they remind me daily that the status quo is out of control.

When the American taxpayer spends 5 billion hours and \$225 billion annually just to prepare their tax returns, something is clearly wrong. Mr. Speaker, the American people need relief, not only from their ever-increasing tax burden of 38 percent but from the lengthy and complicated tax code itself.

I ask the President to join those of us who are fighting to provide the taxpayers with the relief they so rightly deserve. Reject the status quo and support a fairer, simpler tax system for the American people.

CONGRESS TO LOOK INTO MATH-SCIENCE EDUCATION AND NATION'S SCIENCE POLICY

(Mr. EHLERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EHLERS. Mr. Speaker, earlier a colleague from Maine registered concern about the results of the third International Mathematics and Science Study, which indicated that in the area of mathematics we were at the bottom of the list of Nations who took the test, with the exception of Cyprus and South Africa. And in science we are very little better. We only passed up Italy, Lithuania, Cyprus and one other country.

This is indeed a sad state of affairs. I appreciate my colleague's interest, and I also want to mention that the Speaker of the House, the gentleman from Georgia (Mr. GINGRICH), and the chairman of the Committee on Science, the gentleman from Wisconsin (Mr. SENSENBRENNER), earlier during the previous session decided that this was a serious problem that had to be addressed by the Committee on Science. Mr. SENSENBRENNER has commissioned me to head up the effort on the part of the Committee on Science to look into math-science education as well as our Nation's science policy.

In particular, we will be having a hearing tomorrow in which we will

have Mr. Bill Nye, the Science Guy; a representative from Sesame Street; and others, talking in particular about the question of how we can maintain interest among our students in science and mathematics as they get older. I encourage the Members of the House to attend that hearing, and I am sure we will learn a great deal about what we can do as a Nation to improve our students' performance in mathematics and science in elementary and secondary schools.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SNOWBARGER). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 5 p.m. today.

SUPPLEMENTAL REPORT ON H.R. 217, HOMELESS HOUSING PROGRAMS CONSOLIDATION AND FLEXIBILITY ACT

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent to file on behalf of the Committee on Banking and Financial Services a supplemental report to accompany the bill (H.R. 217), to amend Title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

HOMELESS HOUSING PROGRAMS CONSOLIDATION AND FLEXIBILITY ACT

Mr. LAZIO of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 217) to amend title IV of the Stewart B. McKinney Homeless Assistance Act to consolidate the Federal programs for housing assistance for the homeless into a block grant program that ensures that States and communities are provided sufficient flexibility to use assistance amounts effectively, as amended.

The Clerk read as follows:

H.R. 217

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeless Housing Programs Consolidation and Flexibility Act".

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the United States faces a crisis of individuals and families who lack basic affordable housing and appropriate shelter;

(2) assistance from the Federal Government is an important factor in the success of efforts by State and local governments and the private sector to address the problem of homelessness in a comprehensive manner;

(3) there are a multitude of Federal Government programs to assist the homeless, including programs for elderly persons, persons with disabilities, Native Americans, and veterans;

(4) many of the Federal programs for the homeless have overlapping objectives, resulting in multiple sources of Federal funding for the same or similar purposes;

(5) while the results of Federal programs to assist the homeless generally have been positive, it is clear that there is a need for consolidation and simplification of such programs to better support local efforts;

(6) increasing resources available to reduce homelessness are utilized in the development of services rather than the creation of housing;

(7) housing programs must be evaluated on the basis of their effectiveness in reducing homelessness, transitioning individuals to permanent housing and self-sufficiency, and creating an adequate plan to discharge homeless persons to and from mainstream service systems;

(8) effective homelessness treatment should provide a comprehensive housing system (including transitional and permanent housing) and, while not all homeless individuals and families attain self-sufficiency and independence by utilizing transitional housing and then permanent housing, in many cases such individuals and families are best able to reenter society directly through permanent, supportive housing;

(9) supportive housing activities support homeless persons in an environment that can meet their short-term or long-term needs and prepare them to reenter society as appropriate;

(10) homelessness should be treated as part of a symptom of many neighborhood and community problems, whose remedies require a holistic approach integrating all available resources;

(11) there are many private sector entities, particularly nonprofit organizations, that have successfully operated homeless programs;

(12) government restrictions and regulations may discourage and impede innovative approaches to homelessness, such as coordination of the various types of assistance that are required by homeless persons; and

(13) the Federal Government has a responsibility to establish partnerships with State and local governments and the private sector to address comprehensively the problems of homelessness.

(b) PURPOSE.—It is the purpose of this Act—

(1) to consolidate the existing housing programs for homeless persons under title IV of the Stewart B. McKinney Homeless Assistance Act into a single block grant program for housing assistance for the homeless;

(2) to allow flexibility and creativity in rethinking solutions to homelessness, including alternative housing strategies and an improved service sector;

(3) to provide Federal assistance to reduce homelessness on a basis that requires recipients of such assistance to supplement the federally provided amounts and thereby guarantee the provision of a certain level of housing and complementary services necessary to meet the needs of the homeless population; and

(4) to ensure that multiple Federal agencies are involved in the provision of housing, human services, employment, and education assistance both through the funding provided for implementation of the Stewart B. McKinney Homeless Assistance Act and mainstream funding and to encourage entrepreneurial approaches in the provision of housing for homeless people.

SEC. 3. GENERAL PROVISIONS.

Title I of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.) is amended—

(1) by striking section 102;

(2) in section 103—

(A) in subsection (a), by striking “the term ‘homeless’ or ‘homeless individual or homeless person’ includes” and inserting “the terms ‘homeless’, ‘individual’, and ‘homeless person’ include”; and

(B) in subsection (c), by striking “the term ‘homeless’ or ‘homeless individual’ does not include” and inserting “the terms ‘homeless’, ‘individual’, and ‘homeless person’ do not include”; and

(3) by redesignating sections 103, 104, and 105 as sections 102, 103, and 104, respectively.

SEC. 4. FEDERAL EMERGENCY MANAGEMENT AGENCY FOOD AND SHELTER PROGRAM.

Section 322 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11352) is amended to read as follows:

“SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title such sums as may be necessary for each of fiscal years 1998, 1999, 2000, 2001, and 2002.”

SEC. 5. PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM.

(a) IN GENERAL.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended to read as follows:

“TITLE IV—PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM

“Subtitle A—General Provisions

“SEC. 401. PURPOSE; PERFORMANCE MEASURES.

“(a) PURPOSE.—The purpose of the program under this title is to provide assistance for permanent housing development for homeless persons and promote the development of a comprehensive housing system that transitions homeless persons to live as independently as possible, including assistance in the form of permanent housing development, supportive housing, emergency shelters, supportive services, and activities to prevent homelessness.

“(b) PERFORMANCE MEASURES.—Consistent with the purposes and requirements of the Government Performance and Results Act of 1993, the programs under this title and the implementation of such programs by the Department of Housing and Urban Development shall comply with the following performance goals:

“(1) The Federal Government shall ensure an effective grant allocation process and sound financial management of the process. Such grant allocation process shall be implemented to ensure that—

“(A) local governments shall work with the appropriate Local Board to create innovative plans sufficient to address the needs of homeless people in their community; and

“(B) all eligible communities receive funds to address the needs of homeless people in such communities through local governments or private nonprofit organizations.

“(2) The financial resources provided under this title shall be used effectively to create more low-cost permanent housing and to transition homeless people to self-sufficiency and permanent housing.

“(3) The Federal Government shall use the Interagency Council on the Homeless as a vehicle to coordinate services, programs, and funds to promote the transition of homeless people to self-sufficiency in permanent housing.

“SEC. 402. GRANT AUTHORITY.

“(a) IN GENERAL.—The Secretary may make grants as provided under this title to eligible grantees for States, metropolitan cities, urban counties, and insular areas for carrying out eligible activities under subtitles B and C.

“(b) GRANT AMOUNTS.—Except as otherwise provided under this title, amounts for a fiscal year allocated under section 406 shall be used as follows:

“(1) INSULAR AREAS.—Any amounts for the fiscal year allocated under section 406(a) for an insular area shall be used for a grant to the eligible grantee for the insular area for such fiscal year.

“(2) PERMANENT HOUSING DEVELOPMENT.—Any amounts allocated under section 406(b) for use under subtitle B shall be used for grants under section 406(b)(2) to States, metropolitan cities, and urban counties for such fiscal year.

“(3) FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE.—Any amounts allocated under section 406(c) for a State, metropolitan city, or urban county, shall be used for a grant under section 406(c) to the eligible grantee for the State, metropolitan city, or urban county, for the fiscal year.

“(c) USE FOR ELIGIBLE ACTIVITIES.—Grant amounts provided under this title and any supplemental funds provided under section 407 may be used only as follows:

“(1) INSULAR AREA GRANTS.—In the case of a grant under subsection (b)(1) for an insular area, for eligible activities under subtitle C benefiting the insular area.

“(2) PERMANENT HOUSING DEVELOPMENT GRANTS.—In the case of a grant under subsection (b)(2) to a State, metropolitan city, or urban county, for eligible activities under subtitle B within the State, metropolitan city, or urban county, respectively.

“(3) FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE.—In the case of a grant under subsection (b)(3) for a State, metropolitan city, or urban county, for eligible activities under subtitle C benefiting the State, metropolitan city, or urban county, and carried out only within non entitlement areas of the State, metropolitan city, or county, as applicable.

“SEC. 403. ELIGIBLE GRANTEES.

“For purposes of this title, the term ‘eligible grantee’ has the following meaning:

“(1) GRANTS FOR INSULAR AREAS.—In the case of a grant from amounts allocated under section 406(a) for an insular area, such term means—

“(A) the insular area, or an agency, office, or other entity of the area; or

“(B) to the extent that an entity that is a private nonprofit organization is authorized by the government of the insular area to act as the grantee for the area for purposes of this title, such private nonprofit entity.

“(2) GRANTS FOR PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE ASSISTANCE.—In the case of a grant from amounts allocated under section 406(b) or section 406(c) for a State, metropolitan city, or urban county, such term means—

“(A) the State, metropolitan city, or urban county, respectively, or an agency, office, or other entity of the State, city, or county, respectively; and

“(B) to the extent that a private nonprofit organization is authorized by the government of the State, metropolitan city, county to act as the grantee for the State, metropolitan city, or county, respectively, for purposes of this title, such private nonprofit organization.

“SEC. 404. USE OF PROJECT SPONSORS.

“(a) TRANSFER OF GRANT AMOUNTS BY GRANTEES.—Eligible activities assisted with grant amounts provided under this title may be carried out directly by the grantee or by other entities serving as project sponsors which are provided such grant amounts by the grantee or a subgrantee of the grantee.

“(b) COMPETITIVE SELECTION CRITERIA.—To the extent that a grantee does not use grant amounts for eligible activities carried out directly by the grantee, the grantee shall select eligible activities for assistance and project sponsors to carry out such eligible activities pursuant to a competition based on criteria established by the Secretary, which shall include—

“(1) whether the project sponsor that will carry out the activity is financially responsible;

“(2) the ability of the project sponsor to carry out the eligible activity and the project sponsor's experience in successfully transitioning homeless persons into stable, long-term housing;

“(3) the need for the type of eligible activity in the area to be served;

“(4) the extent to which the amount of assistance to be provided with grant amounts will be supplemented with resources from other public and private sources;

“(5) the cost-effectiveness of the proposed eligible activity, considered in relation to the ultimate goal of moving people out of homelessness permanently, including consideration of high-cost area services, and other necessary amenities;

“(6) the extent to which the project sponsor carrying out the eligible activity—

“(A) will coordinate with Federal, State, local, and private entities serving homeless persons in the development of a comprehensive housing system and in the planning and operation of the activity; and

“(B) will, pursuant to section 408(m)(3), carry out the activity in coordination and conjunction with federally funded activities for the homeless;

“(7) the extent to which the project sponsor employs homeless persons or involves homeless persons or formerly homeless persons in the operation and design of its programs; and

“(8) such other factors as the Secretary determines to be appropriate to carry out this title in an effective and efficient manner.

“SEC. 405. COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY COMPLIANCE.

“A grant under this title may be provided to an eligible grantee only if—

“(1) the applicable jurisdiction for which the grant amounts are allocated under section 406 has submitted to the Secretary a comprehensive housing affordability strategy in accordance with section 105 of the Cranston-Gonzalez National Affordable Housing Act and any other requirement established by the Secretary and which is in effect for the fiscal year for which such grant amounts are to be provided; and

“(2) the public official of such applicable jurisdiction who is responsible for submitting the comprehensive housing affordability strategy required by paragraph (1) certifies to the Secretary that the eligible activities to be assisted with such grant amounts are or will be consistent with such comprehensive housing affordability strategy, including the plans in such strategy for addressing housing needs for homeless families.

“SEC. 406. ALLOCATION AND AVAILABILITY OF AMOUNTS.

“(a) ALLOCATION FOR INSULAR AREAS.—Of the amount made available for grants under this title for a fiscal year, the Secretary

shall reserve for grants for each of the insular areas amounts in accordance with an allocation formula established by the Secretary.

“(b) ALLOCATION FOR PERMANENT HOUSING DEVELOPMENT GRANTS UNDER SUBTITLE B.—

“(1) ANNUAL PORTION OF APPROPRIATED AMOUNT AVAILABLE.—Of the amount made available for grants under this title for a fiscal year that remains after amounts are reserved under subsection (a), the Secretary shall allocate for use under subtitle B, 30 percent of such funds (except that for fiscal years 1998 and 1999, the Secretary shall allocate 25 percent of such funds for use under such subtitle).

“(2) GRANTS.—Using the amounts allocated for use under subtitle B for a fiscal year, the Secretary shall make grants to States, metropolitan cities, and urban counties pursuant to a national competition based on the criteria specified in section 404(b) and in accordance with such other factors and procedures as the Secretary determines to be appropriate to carry out this title in an effective and efficient manner.

“(3) LIMITATION.—In making grants using amounts allocated for use under subtitle B for any fiscal year, the Secretary shall ensure that not more than 35 percent of the total amount allocated for such use for such fiscal year is used for activities under section 441 of this Act, as in effect on October 31, 1997.

“(c) ALLOCATION FOR FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE UNDER SUBTITLE C.—

“(1) ANNUAL PORTION OF APPROPRIATED AMOUNT AVAILABLE FOR SUBTITLE C ACTIVITIES.—Of the amount made available for grants under this title for a fiscal year that remains after amounts are reserved under subsection (a), the Secretary shall allocate for use under subtitle C 70 percent of such funds (except that for fiscal years 1998 and 1999, the Secretary shall allocate 75 percent of such funds for use under such subtitle).

“(2) ALLOCATION OF AMOUNT AVAILABLE BETWEEN METROPOLITAN CITIES AND URBAN COUNTIES AND STATES.—Of the amount allocated pursuant to paragraph (1) for use under subtitle C for a fiscal year, 70 percent shall be allocated for metropolitan cities and urban counties and 30 percent shall be allocated for States.

“(3) INTERIM DETERMINATION OF ALLOCATED AMOUNT.—Except as provided in paragraph (4), the Secretary shall allocate amounts available for use under subtitle C for a fiscal year so that—

“(A) for each metropolitan city and urban county, the percentage of the total amount allocated under this subsection for cities and counties that is allocated for such city or county is equal to the percentage of the total amount available for the preceding fiscal year under section 106(b) of the Housing and Community Development Act of 1974 for grants to metropolitan cities and urban counties that was allocated for such city or county; and

“(B) for each State, the percentage of the total amount allocated under this subsection for States that is allocated for such State is equal to the percentage of the total amount available for the preceding fiscal year under section 106(d) of the Housing and Community Development Act of 1974 for grants to States that was allocated for such State.

“(4) MINIMUM APPROPRIATION REQUIREMENT.—If, by December 1 of any fiscal year, the amount appropriated for grants under this title for such fiscal year is less than \$750,000,000—

“(A) the Secretary shall not allocate amounts for such fiscal year under subsection (b) and this subsection;

“(B) subsection (d) shall not apply to amounts for such fiscal year; and

“(C) notwithstanding any other provision of this title, the Secretary shall make grants under this title from such amounts to States, units of general local government, and private nonprofit organizations, pursuant to a national competition based on the criteria specified in section 404(b).

“(5) STUDY; SUBMISSION OF INFORMATION TO CONGRESS RELATED TO ALTERNATIVE METHODS OF ALLOCATION.—Not later than 1 year after the date of the enactment of the Homeless Housing Program Consolidation and Flexibility Act, the Secretary shall—

“(A) submit to Congress—

“(i) the best available methodology for determining a formula relative to the geographic allocation of funds under this subtitle among entitlement communities and nonentitlement areas based on the incidence of homelessness and factors that lead to homelessness;

“(ii) proposed alternatives to the formula submitted pursuant to clause (i) for allocating funds under this section, including an evaluation and recommendation on a 75/25 percent and other allocations of flexible block grant homeless assistance between metropolitan cities and urban counties and States under paragraph (2);

“(iii) an analysis of the deficiencies in the current allocation formula described in section 106(b) of the Housing and Community Development Act of 1974;

“(iv) an analysis of the adequacy of current indices used as proxies for measuring homelessness; and

“(v) an analysis of the bases underlying each of the proposed allocation methods;

“(B) perform the duties required by this paragraph in ongoing consultation with—

“(i) the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate;

“(ii) the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives;

“(iii) organizations representing States, metropolitan cities and urban counties;

“(iv) organizations representing rural communities;

“(v) organizations representing veterans;

“(vi) organizations representing persons with disabilities;

“(vii) members of the academic community; and

“(viii) national homelessness advocacy groups; and

“(C) estimate the amount of funds that will be received annually by each entitlement community and nonentitlement area under each such alternative allocation system and compare such amounts to the amount of funds received by each entitlement community and nonentitlement area in prior years under this section.

“(6) MINIMUM ALLOCATIONS AMOUNTS.—

“(A) IN GENERAL.—

“(i) METROPOLITAN CITIES AND URBAN COUNTIES.—Notwithstanding paragraph (3), if for any fiscal year, the allocation under subtitle C for a metropolitan city or urban county is less than 0.05 percent of the amounts available for such use, such metropolitan city or urban county shall not receive a grant and its allocation shall be added to the allocation for the State in which such metropolitan city or urban county is located, except that any such metropolitan city or urban county that received a grant under this title in a previous fiscal year shall be allocated an amount equal to 0.05 percent of the amounts appropriated for such use.

“(ii) STATES.—Notwithstanding paragraph (3), if in any fiscal year the allocation under

subtitle C for a State is less than \$2,000,000, the allocation for that State shall be increased to \$2,000,000 and the increase shall be provided by deducting pro rata amounts from the allocations under such subtitle of States with allocations of more than \$2,000,000.

“(B) GRADUATED MINIMUM GRANT ALLOCATIONS.—Notwithstanding subparagraph (A) of this paragraph and notwithstanding paragraph (3), a State, metropolitan city, or urban county shall receive no less funding under this subsection in the first full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act than 90 percent of the average of the amounts awarded annually to that jurisdiction for homeless assistance programs administered by the Secretary (not including allocations for shelter plus care and single room occupancy programs as defined in, and in effect pursuant to, this Act prior to the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act) under this title during fiscal years 1994 through 1997, no less than 85 percent in the second full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, no less than 80 percent in the third and fourth full fiscal years after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, and no less than 75 percent in the fifth full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, but only if the amount appropriated pursuant to section 435 in each such fiscal year exceeds \$800,000,000. If that amount does not exceed \$800,000,000 in any fiscal year referred to in the first sentence of this paragraph, the jurisdiction may receive its proportionate share of the amount appropriated which may be less than the amount stated in such sentence for such fiscal year.

“(7) REDUCTION.—Notwithstanding paragraphs (1) through (6), in any fiscal year, the Secretary may provide a grant under this subsection for a State, metropolitan city, or urban county, in an amount less than the amount allocated under those paragraphs, if the Secretary determines that the jurisdiction has failed to comply with requirements of this title, or that such action is otherwise appropriate.

“(d) RECAPTURE OF ALLOCATED AMOUNTS.—The Secretary shall recapture the following amounts:

“(1) UNUSED AMOUNTS.—Not less than once during each fiscal year, the Secretary shall recapture any amounts allocated under this section that—

“(A) are allocated for a State, metropolitan city or urban county, or insular area, but not provided to an eligible grantee for the jurisdiction because of failure to apply for a grant under this title or failure to comply with the requirements of this title;

“(B) were provided to a grantee and (i) recaptured under this title, or (ii) not utilized by the grantee in accordance with the purposes and objectives of the approved application of the grantee within a reasonable time period, which the Secretary shall establish; or

“(C) are returned to the Secretary by the time of such reallocation.

“(2) AMOUNTS ALLOCATED TO GRANTEE THAT FAIL TO COMPLY WITH COMPREHENSIVE HOUSING AFFORDABILITY STRATEGY REQUIREMENTS.—Notwithstanding paragraph (1), if, for any fiscal year, a metropolitan city or urban county fails to comply with the requirement under section 405(1) during the 90-day period beginning on the date that amounts for grants under this title for such

fiscal year first become available for allocation, the amounts that would have been allocated under subsection (c) of this section for such city or county shall be reallocated for the State in which the unit is located, but only if the State has complied with the requirement under section 405(1). Any amounts that cannot be allocated for a State under the preceding sentence shall be reallocated for other metropolitan cities and urban counties and States that comply with such requirement and demonstrate extraordinary need or large numbers of homeless persons, as determined by the Secretary.

“(e) REALLOCATION OF AMOUNTS.—Any amounts allocated under subsection (b) that are recaptured pursuant to subsection (d)(1) shall be reallocated only for use under subtitle B. Any amounts allocated under subsection (c) that are recaptured pursuant to subsection (d)(1) shall be reallocated only for use under subtitle C.

“SEC. 407. MATCHING FUNDS REQUIREMENT.

“(a) IN GENERAL.—Each State, metropolitan city or urban county, and insular area for which a grant under this title is made shall supplement the amount of the grant provided under this title with an amount that is not less than—

“(1) 50 percent of the amount of such grant, if the State, metropolitan city or urban county, and insular area has indicated in its application for such grant that it will not include as a portion of its supplementation the cost or value of donated services; or

“(2) 100 percent of the grant amount, if the State, metropolitan city, urban county, or insular area indicated in its application for such grant that it will include as a portion of its supplementation the cost or value of donated services.

“(b) MATCHING REQUIREMENT FOR USE OF MORE THAN 35 PERCENT OF FUNDS FOR SUPPORTIVE SERVICES.—In addition to the supplemental funds required pursuant to subsection (a), for the second full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act and each fiscal year thereafter, a State, metropolitan city, or urban county shall supplement the grant funds for the State, metropolitan city, or urban county in an amount equal to the amount used by that State, metropolitan city, or urban county for supportive services in a fiscal year that exceeds 35 percent of the total grant amount for the State, metropolitan city, or urban county for that fiscal year.

“(c) TREATMENT OF INDEPENDENT STATE OR LOCAL GOVERNMENT FUNDS.—Any State or local government funds used independently from the program under this title, or designated for such use, to assist the homeless by carrying out activities that would be eligible for assistance under this subtitle may be counted toward the amount required pursuant to subsection (a).

“(d) AUTHORITY FOR GRANTEEES TO REQUIRE SUPPLEMENTATION.—

“(1) IN GENERAL.—Each grantee under this title may require any subgrantee or project sponsor to whom it provides such grant amounts to provide supplemental amounts required under subsections (a) and (b) with an amount of funds from sources other than this title.

“(2) AMOUNT ALLOWED TO BE REQUIRED BY GRANTEE.—

“(A) GRANT AMOUNT.—Except as provided in paragraph (3), a grantee may not require any subgrantee or project sponsor to whom it provides such grant amounts under this title to provide—

“(i) supplemental amounts required under subsection (a)(1) in an amount exceeding 25 percent of the grant amount provided to the subgrantee or project sponsor; or

“(ii) supplemental amounts required under subsection (a)(2) in an amount exceeding 50 percent of the grant amount provided to the subgrantee or project sponsor.

“(B) SUPPORTIVE SERVICES.—A grantee may require any subgrantee or project sponsor to whom it provides grant amounts under this title to provide supplemental amounts required under subsection (b) in an amount equal to the amount used by subgrantee or project sponsor for supportive services in a fiscal year that exceeds 35 percent of the total amount allocated pursuant to this subsection for that fiscal year.

“(3) SUPPLEMENTAL FUNDS MAY BE CONSIDERED AS MATCHING FUNDS.—Supplemental amounts provided by a subgrantee or project sponsor pursuant to this subsection may be considered supplemental amounts for purposes of compliance by any grantee with the requirement under subsections (a) and (b).

“(e) USE OF FUNDS.—Any supplemental funds made available in compliance with this section shall be available only to carry out eligible activities (1) under subtitle B, if the grant amounts are available only for such activities, or (2) under subtitle C, if the grant amounts are available only for such activities.

“(f) SUPPLEMENTAL FUNDS.—In determining the amount of supplemental funds provided in accordance with this section, the following amounts may be included:

“(1) Cash.

“(2) The value of any donated or purchased material or building.

“(3) The value of any lease on a building.

“(4) The proceeds from bond financing validly issued by a State or unit of general local government, agency, or instrumentality thereof, and repayable with revenues derived from the activity assisted under this title.

“(5) The amount of any salary paid to staff to carry out a program for eligible activities under subtitle B or C.

“(6) The cost or value of any donated goods.

“(7) The value of taxes, fees, or other charges that are normally and customarily imposed, but which are waived or foregone to assist in providing housing or services for the homeless.

“(8) The cost of on-site and off-site infrastructure that is directly related to and necessary for providing housing or services for the homeless.

“(9) The cost or value of any donated services, but only if the State, metropolitan city, urban county, or insular area has stated in its application for a grant under this title that it shall supplement the amount of such grant, in accordance with section 407(a)(2).

“(g) REDUCTION IN MATCHING REQUIREMENTS.—If a jurisdiction certifies to the Secretary that it is in fiscal distress (as defined in section 220(d)(2) of the Cranston-Gonzalez National Affordable Housing Act) for a fiscal year, the Secretary shall apply the matching requirement under subsection (a) to such jurisdiction for such fiscal year by reducing such percentage under subsection (a) to the same extent, in the same manner, and according to the same criteria as matching requirements are reduced under section 220(d) of the Cranston-Gonzalez National Affordable Housing Act.

“SEC. 408. PROGRAM REQUIREMENTS.

“(a) APPLICATIONS.—

“(1) FORM AND PROCEDURE.—The Secretary shall make a grant under this title only pursuant to an application for a grant submitted by an eligible grantee in the form required by this section and in accordance with such other factors and procedures as the Secretary determines to be appropriate. The Secretary may not give preference or priority to any application on the basis that

the application was submitted by any particular type of eligible grantee.

“(2) CONTENTS.—The Secretary shall require that applications contain at a minimum the following information:

“(A) GRANTS FOR PERMANENT HOUSING DEVELOPMENT ACTIVITIES.—In the case of an application for a grant available for use for activities under subtitle B or an application for a grant available for use under subtitle C for permanent housing development assistance—

“(i) a description of the permanent housing development activities to be assisted;

“(ii) a description of the entities that will carry out such activities and the programs for carrying out such activities; and

“(iii) assurances satisfactory to the Secretary that the facility will comply with the requirement under subsection (j).

“(B) FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE.—In the case of an application for a grant available for use for activities under subtitle C—

“(i) a description of the eligible activities to be assisted, to the extent available at the time;

“(ii) in the case of a grant for a facility assisted under paragraph (1) or (2) of section 421(a), assurances satisfactory to the Secretary that the facility will comply with the requirement under subsection (j);

“(iii) in the case of a grant for a supportive housing facility assisted under this title that does not receive assistance under paragraph (1) or (2) of section 421(a), annual assurances during the period specified in the application that the facility will be operated for the purpose specified in the application for such period; and

“(iv) in the case of a grant for a supportive housing facility, reasonable assurances that the project sponsor will own or have control of a site not later than the expiration of the 12-month period beginning upon notification of an award of grant assistance, unless the application proposes providing supportive housing assisted under section 421(a)(3) or housing that will eventually be owned or controlled by the families and individuals served; except that a project sponsor may obtain ownership or control of a suitable site different from the site specified in the application.

“(C) ALL GRANTS.—In the case of an application for any grant under this title—

“(i) a description of the size and characteristics of the population, including specific references to populations with special needs, that will be served by the eligible activities assisted with grant amounts;

“(ii) a description of the public and private resources that are expected to be made available in connection with grant amounts provided;

“(iii) a description of the process to be used in compliance with section 404(b) to select eligible activities to be assisted and project sponsors;

“(iv) a certification that the applicant will comply with the requirements of the Fair Housing Act, title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing; and

“(v) a statement of whether the applicant will or will not include, as a portion of its supplementation amount required under section 407(a), the cost or value of donated services.

“(b) REQUIRED AGREEMENTS.—The Secretary may not provide a grant under this title for any applicant unless the applicant agrees—

“(1) to ensure that the eligible activities carried out with grant amounts will be carried out in accordance with the provisions of this title;

"(2) to conduct an ongoing assessment of the supportive services required by homeless persons assisted by the eligible activities and the availability of such services to such persons;

"(3) in the case of grant amounts to be used under subtitle C for a supportive housing facility or an emergency shelter, to ensure the provision of such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of supportive services to the residents and users of the facility or shelter;

"(4) to monitor and report under section 431 to the Secretary on the progress of the eligible activities carried out with grant amounts;

"(5) to develop and implement procedures to ensure—

"(A) the confidentiality of records pertaining to any individual provided family violence prevention or treatment services through any activities assisted with grant amounts; and

"(B) that the address or location of any family violence shelter facility assisted with grant amounts will not be made public, except with written authorization of the person or persons responsible for the operation of such facility;

"(6) to the maximum extent practicable, to involve homeless persons and families, through employment, volunteer services, or otherwise, in carrying out eligible activities assisted with grant amounts; and

"(7) to comply with such other terms and conditions as the Secretary may establish to carry out this title in an effective and efficient manner.

"(c) OCCUPANCY CHARGE.—Any homeless person or family residing in a dwelling unit assisted under this title may be required to pay an occupancy charge in an amount determined by the grantee providing the assistance, which may not exceed an amount equal to 30 percent of the adjusted income (as such term is defined in section 3(b) of the United States Housing Act of 1937 or any other subsequent provision of Federal law defining such term for purposes of eligibility for, or rental charges in, public housing) of the person or family. Occupancy charges paid may be reserved, in whole or in part, to assist residents in moving to permanent housing.

"(d) FLOOD PROTECTION STANDARDS.—Flood protection standards applicable to housing acquired, rehabilitated, constructed, or assisted with grant amounts provided under this title shall be no more restrictive than the standards applicable under Executive Order No. 11988 (42 U.S.C. 4321 note; relating to floodplain management) to the other programs in effect under this title immediately before the enactment of the Homeless Housing Programs Consolidation and Flexibility Act.

"(e) PARTICIPATION OF CITIZENS AND OTHERS.

"(1) IN GENERAL.—Each grantee shall—

"(A) each fiscal year, make available to its citizens, public agencies, and other interested parties information concerning the amount of assistance the jurisdiction expects to receive and the range of activities that may be undertaken with the assistance;

"(B) publish the proposed application in a manner that, in the determination of the Secretary, affords affected citizens, public agencies, and other interested parties a reasonable opportunity to examine its content and to submit comments on it;

"(C) each fiscal year, hold one or more public hearings to obtain the views of citizens, public agencies, and other interested parties on the housing needs of the jurisdiction; and

"(D) provide citizens, public agencies, and other interested parties with reasonable access to records regarding any uses of any as-

sistance the grantee may have received under this subtitle during the preceding 5 years.

"(2) ELECTRONIC ACCESS.—A grantee may comply with the requirement under subparagraphs (A), (B), and (D) of paragraph (1) by making the information available through interactive computer or telephone services or other electronic information networks and systems appropriate for making such information widely available to the public.

"(3) NOTICE AND COMMENT.—Before submitting any substantial amendment to an application under this Act, a grantee shall provide citizens with reasonable notice of, and opportunity to comment on, the amendment.

"(4) CONSIDERATION OF COMMENTS.—A grantee shall consider any comments or views of citizens in preparing a final application or amendment to an application for submission. A summary of such comments or views shall be attached when an application or amendment to an application is submitted. The submitted application or amendment shall be made available to the public.

"(5) AUTHORITY OF SECRETARY.—The Secretary shall establish procedures appropriate and practicable for providing a fair hearing and timely resolution of citizen complaints related to applications under this subtitle.

"(6) HOMELESS INDIVIDUALS.—The Secretary shall, by regulation, require each grantee to ensure that each project sponsor assisted by the grantee provides for the participation of not less than 1 homeless person or former homeless person on the board of directors or other equivalent policymaking entity of the project sponsor, to the extent that such sponsor considers and makes policies and decisions regarding any activity, facility, supportive services, or assistance provided with grant amounts under this title. The Secretary shall provide that a grantee may grant waivers to project sponsors unable to meet the requirement under the preceding sentence if the sponsor agrees to otherwise consult with homeless or formerly homeless persons in considering and making such policies and decisions.

"(f) LIMITATION ON USE OF FUNDS.—No grant amounts received under this title (or any funds provided under section 407 or otherwise to supplement such grants) may be used to replace other State or local funds previously used, or designated for use, to assist homeless persons.

"(g) LIMITATION ON ADMINISTRATIVE EXPENSES.—Notwithstanding any other provision of this title, of any grant amounts under this title used to carry out eligible activities, the grantee or the project sponsor may use for administrative purposes—

"(1) an amount not exceeding 5 percent of such grant amount; or

"(2) if the grantee implements use of a standardized homeless database management system to record and assess data on the usage of homeless housing, services, and client needs, and on the number of and other information related to populations with special needs, an amount not exceeding 7.5 percent of such grant amount.

"(h) HOUSING QUALITY.—

"(1) REQUIREMENT.—Assistance may not be provided with grant amounts made available for use under this title for any permanent housing development, dwelling unit, supportive housing facility, or emergency shelter that fails to comply with the housing quality standards applicable under paragraph (2) in the jurisdiction in which the housing is located, unless the deficiency is promptly corrected and the project sponsor verifies the correction.

"(2) APPLICABLE STANDARDS.—The housing quality standards applicable under this subsection to any permanent housing, dwelling

unit, supportive housing facility, or emergency shelter shall be—

"(A) in the case of permanent housing, a unit, facility, or shelter located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of such housing, units, facilities, or shelters that provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under paragraph (3), such applicable laws, regulations, standards, or codes; or

"(B) in the case of permanent housing, a unit, facility, or shelter located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), the housing quality standards established under paragraph (3).

"(3) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this paragraph that ensure that permanent housing, dwelling units, supportive housing facilities, and emergency shelters assisted under this title are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings. The Secretary shall differentiate between major and minor violations of such standards and may establish separate standards for permanent housing, dwelling units, supportive housing facilities, and emergency shelters.

"(i) TERMINATION OF ASSISTANCE.—If a person or family (not including residents of an emergency shelter) who receives assistance under this title violates program requirements, the project sponsor may terminate assistance in accordance with a formal process established by such sponsor that recognizes the rights of individuals receiving such assistance to due process of law, which may include a hearing.

"(j) USE RESTRICTIONS.—

"(1) ACQUISITION, REHABILITATION, AND NEW CONSTRUCTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), each housing facility assisted under subtitle B or subtitle C shall be operated as housing for the purpose specified in the application for assistance with amounts under this title for not less than 20 years after such facility is initially placed in service pursuant to such assistance.

"(B) EXCEPTIONS.—

"(i) INABILITY TO OPERATE FACILITY.—If, within such 20-year period, the need for maintaining the facility as housing for the purpose specified in the application for assistance ceases to exist (as determined by the Secretary pursuant to a recommendation by the chief executive officer of the appropriate unit of general local government or project sponsor, taking into consideration the comprehensive housing affordability strategy of the jurisdiction), or the project sponsor is unable to operate the facility as supportive housing, the facility may be used as affordable housing (in accordance with section 215 of the Cranston-Gonzalez National Affordable Housing Act).

"(ii) APPLICABILITY OF OTHER PROGRAM RESTRICTION.—If the housing facility receives assistance under any other Federal program (including assistance under section 42 of the Internal Revenue Code of 1986) for low-income families, homeless persons, or any other use consistent with assistance under this title, and the use restriction under such program is less than 20 years, the restriction under such program shall apply.

"(2) OTHER ASSISTANCE.—Each housing facility assisted under subtitle C shall be operated for the purposes specified in the application for assistance with amounts under

this title for the duration of the period covered by the grant.

“(3) CONVERSION.—Notwithstanding paragraphs (1) and (2), if the Secretary determines that a housing facility is no longer needed for use as housing for the purposes specified in the application for assistance and approves the use of the facility for the direct benefit of low-income persons pursuant to a request for such use by the project sponsor, the Secretary may authorize the sponsor to convert the facility to such use.

“(k) REPAYMENT OF ASSISTANCE AND PREVENTION OF UNDUE BENEFITS.—

“(l) REPAYMENT.—If a facility assisted under subtitle B or subtitle C violates the requirement under subsection (j)(1)(A) or (j)(1)(B)(ii) of this section during the 10-year period beginning upon placement of the facility in service pursuant to such assistance, the Secretary shall require the grantee to repay to the Secretary 100 percent of any grant amounts received for such facility under such paragraph. If such a facility violates such requirement after such 10-year period, the Secretary shall require the grantee to repay the percentage of any grant amounts received for such facility that is equal to 100 percent minus 10 percent for each year in excess of 10 that the facility is operated as supportive housing.

“(2) PREVENTION OF UNDUE BENEFITS.—Except as provided in paragraph (3), upon any sale or other disposition of a facility assisted under subtitle B or C occurring before the expiration of the 20-year period beginning on the date that the facility is placed in service, the project sponsor shall comply with such terms and conditions as the Secretary may prescribe to prevent the sponsor from unduly benefiting from such sale or disposition.

“(3) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any sale or disposition of a facility that results in the use of the facility for the direct benefit of very low-income families if all of the proceeds are used to provide housing meeting the requirements of subtitle B or C.

“(4) FAILURE TO OBTAIN SITE.—If a grantee of assistance made available for use under this title obligates assistance for a housing facility other than a facility under section 421(a)(3) or housing that will eventually be owned or controlled by the families and individuals served, and the project sponsor fails to obtain ownership or control of a suitable site for a proposed supportive housing facility during the 12-month period beginning upon the notification of an award of grant assistance, the grantee shall recapture the assistance and make such assistance available under this subtitle.

“(l) LOCAL BOARDS.—

“(1) ESTABLISHMENT AND FUNCTION.—The head of the executive branch of government of each grantee shall establish and appoint members to a local board, which shall assist the jurisdiction in—

“(A) determining whether the grant should be administered by the jurisdiction, a public agency, a private nonprofit organization, the State, or the Secretary;

“(B) developing the application under section 408;

“(C) overseeing the activities carried out with assistance under this title; and

“(D) preparing the performance report under section 431.

“(2) COMPOSITION OF LOCAL BOARDS.—

“(A) NOMINATION.—Members of a local board appointed to meet the requirements of subparagraph (D) shall be nominated by persons, other than governmental officials or entities, that represent the groups listed in subparagraph (D).

“(B) PRIORITY.—Persons who will improve access to a broad range of services for homeless persons and who are sensitive to the

varying needs of homeless persons, including veterans, the mentally ill, families with children, young persons, battered spouses, victims of substance abuse, and persons with AIDS, shall be given preference when selecting local board members.

“(C) COMMUNITY SUPPORT CONSIDERED.—In appointing members to the local board, the chief executive of each grantee shall consider the extent of support for the nominee in the community which the board shall serve.

“(D) MAJORITY.—Not less than 51 percent of the members of a local board shall be composed of—

“(i) homeless or formerly homeless persons;

“(ii) persons who act as advocates for homeless persons; and

“(iii) persons who provide assistance to homeless persons, including representatives of local veterans organizations and veteran service providers who assist homeless veterans.

“(E) OTHER LOCAL BOARD MEMBERS.—After the requirements of subparagraph (D) are met, other members of a local board shall be chosen from—

“(i) members of the business community of the jurisdiction receiving the grant;

“(ii) members of neighborhood advocates in the jurisdiction receiving the grant; and

“(iii) government officials of the jurisdiction receiving the grant.

“(3) WAIVER OF REQUIREMENTS FOR LOCAL BOARD.—The Secretary may waive the requirements of this subsection if the jurisdiction has an existing board that substantially meets the requirements of this subsection.

“(m) COORDINATION OF HOMELESS PROGRAMS.—

“(1) PURPOSE.—The purpose of the consultation and coordination required under this subsection is to provide various services, activities, and assistance for homeless persons and families in an efficient, effective, and targeted manner designed to meet the comprehensive needs of the homeless.

“(2) IN GENERAL.—The Chairperson of the Interagency Council on the Homeless shall consult and coordinate with the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of Education, the Secretary of Veterans Affairs, and the Secretary of Agriculture and shall ensure that assistance for federally funded activities for the homeless is made available, to the greatest extent practicable, in conjunction and coordination with assistance for other federally funded activities for the homeless and with assistance under this title.

“(3) REQUIREMENTS FOR HOUSING ASSISTANCE.—The Secretary shall establish such requirements as the Secretary considers necessary to ensure that grant amounts provided under this title are used by grantees and project sponsors, to the greatest extent practicable, in coordination and in conjunction with federally funded activities for the homeless.

“(4) DEFINITION.—For purposes of this subsection, the term ‘federally funded activities for the homeless’ means activities to assist homeless persons, including homeless veterans, or homeless families that are funded (in whole or in part) with amounts provided by the Federal Government (other than amounts provided under this title) and includes—

“(A) the programs for health care under sections 340 and part C of title V of the Public Health Service Act;

“(B) the programs for education, training and community services under title VII of the Stewart B. McKinney Homeless Assistance Act;

“(C) food assistance for homeless persons and families through the food programs under the Food Stamp Act of 1977 and the Emergency Food Assistance Act of 1983;

“(D) the job training, housing, and medical programs for homeless veterans of the Department of Veterans Affairs;

“(E) the job corps centers for homeless families program under section 433A of the Job Training Partnership Act;

“(F) the program for preventive services for children of homeless families or families at risk of homelessness under title III of the Child Abuse Prevention and Treatment Act;

“(G) the programs under the Runaway and Homeless Youth Act; and

“(H) assistance for homeless persons, including homeless veterans, and families under State programs funded under supplemental security income programs under part A of title IV or under title XVI of the Social Security Act.

“(5) COMPANION SERVICES BLOCK GRANTS IN CASES OF FAILURE TO COMPLY.—

“(A) IN GENERAL.—If, for any fiscal year, the Chairperson of the Interagency Council on the Homeless determines that adequate coordination has not taken place to ensure that assistance for federally funded activities for the homeless is made available in conjunction and coordination with assistance under this title (as required under paragraph (2)), the Chairperson of the Interagency Council on the Homeless and the Secretary, in consultation with the Interagency Council on the Homeless, shall carry out a program under subparagraph (B) to make companion services block grants available for such fiscal year.

“(B) COMPANION SERVICE BLOCK GRANTS.—The block grant program under this subparagraph shall provide block grants, using amounts available pursuant to subparagraph (C), to eligible grantees under this title to provide services of the type available under the programs referred to in paragraph (4) in connection with housing assistance under this title.

“(C) FUNDING.—

“(i) IN GENERAL.—Notwithstanding any other provision of law, in any fiscal year in which block grants are to be provided in accordance with subparagraph (A), there shall be available for such block grants, of the amount made available for such fiscal year for each activity referred to in paragraph (4), 10 percent of such amount, as determined by the Secretary and the Interagency Council on the Homeless.

“(ii) LIMITATION.—Notwithstanding clause (i), the aggregate amount available for companion services block grants under this paragraph for a fiscal year shall not exceed the total amount made available pursuant to section 435 for housing assistance under this title. If, for any fiscal year, the amount determined under clause (i) exceeds such amount, the Secretary shall reduce the percentage under clause (i) for such year so that the aggregate amount made available for companion services block grants under this paragraph from the amounts for each activity referred to in paragraph (4) is equal to the total amount made available pursuant to section 435 for housing assistance under this title.

“(D) TRANSFER AUTHORITY.—Except to the extent that the authority of the Secretary and the Chairperson of the Interagency Council on the Homeless is limited by appropriations, and with the concurrence of the head of the affected agency and upon advance approval of the Committees on Appropriations and the authorizing committees of the House of Representatives and the Senate, the Secretary and the Chairperson of the Interagency Council on the Homeless shall

transfer funds made available under subparagraph (C) to the companion services block grant for federally funded activities, functions, or programs for the homeless.

“(E) REPORT.—Not later than the first quarter of the first full fiscal year after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act and each quarter thereafter, the Secretary and the Chairperson of the Interagency Council on the Homeless shall report to Congress on—

“(i) the need for any reprogramming or transfer of funds appropriated for federally funded activities, functions, or programs for the homeless; and

“(ii) any funds appropriated for federally funded activities, functions, or programs for the homeless that were reprogrammed or transferred during the quarter covered by the report.

“(n) CONSULTATION REGARDING USE OF NATIONAL GUARD FACILITIES AS HOMELESS SHELTERS.—The Secretary may not provide a grant for a fiscal year from amounts for such year allocated under section 406(c) for use under subtitle C for a State unless the State has consulted with the Secretary regarding the possibility of making any space at National Guard facilities under the jurisdiction of the State available, during such fiscal year, for use by homeless organizations to provide shelter to homeless persons, but only at the times that such space is not actively being used for National Guard purposes or other public purposes already undertaken.

“SEC. 409. SUPPORTIVE SERVICES.

“(a) REQUIREMENT.—To the extent allowed by this title, each project sponsor administering permanent housing development assistance provided with amounts under this title or a supportive housing facility or emergency shelter assisted with such amounts shall provide supportive services for residents of the dwelling units or facility or shelter assisted. The array of supportive services provided may be designed by the grantee or the project sponsor administering the assistance, facility, or shelter. A project sponsor administering a supportive housing facility shall provide supportive services for other homeless persons using the facility.

“(b) TARGETING POPULATIONS WITH SPECIAL NEEDS.—Supportive services provided with grant amounts under this title shall address the special needs of homeless persons (such as homeless persons with disabilities, homeless persons with acquired immunodeficiency syndrome and related diseases, homeless persons who have chronic problems with alcohol or drugs (or both), veterans who are homeless, and homeless families with children) intended to be served.

“(c) SERVICES.—Supportive services may include activities such as—

“(1) establishing and operating a child care services program for homeless families;

“(2) establishing and operating an employment assistance program;

“(3) providing outpatient health services, food, and case management;

“(4) providing assistance in obtaining permanent housing, employment counseling, and nutritional counseling;

“(5) providing security arrangements necessary for the protection of residents of supportive housing or emergency shelters and for homeless persons using supportive housing facilities;

“(6) providing assistance in obtaining other Federal, State, and local assistance available for such residents and persons (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment); and

“(7) providing other appropriate services.

“(d) PROVISION OF SERVICES.—Supportive services provided with grant amounts under

this title may be provided directly by the grantee, by the project sponsor administering the permanent housing development assistance or the facility or shelter, or by contract with other public or private service providers. Such services provided in connection with a supportive housing facility may be provided to homeless persons who do not reside in the supportive housing, but only to the extent consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the applicable jurisdiction.

“SEC. 410. NONDISCRIMINATION IN PROGRAMS AND ACTIVITIES.

“No person in the United States shall on the basis of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this subtitle. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual, as provided in section 504 of the Rehabilitation Act of 1973, shall also apply to any such program or activity.

“Subtitle B—Permanent Housing Development Activities

“SEC. 411. USE OF AMOUNTS AND GENERAL REQUIREMENTS.

“(a) USE OF AMOUNTS FOR PERMANENT HOUSING DEVELOPMENT.—

“(1) AUTHORIZED USE.—A State, metropolitan city, or urban county that receives a grant under section 402(b)(2) from amounts allocated for use under this subtitle may use grant amounts (and any supplemental amounts provided under section 407) only to carry out permanent housing development activities within such State, metropolitan city, or urban county. For purposes of this subtitle, the term ‘permanent housing development activities’ means activities to construct, substantially rehabilitate, or acquire structures to provide permanent housing, including the capitalization of a dedicated project account from which long-term assistance payments (which may include operating costs or rental assistance) can be made in order to facilitate such activities, and activities under section 441 of the this Act, as in effect on October 31, 1997 (subject to the limitation in section 406(b)(3) of this Act).

“(2) USE FOR SUPPORTIVE SERVICES PROHIBITED.—Amounts allocated for use under this subtitle may not be used for supportive services activities.

“(b) USE THROUGH NONPROFIT ORGANIZATIONS.—

“(1) IN GENERAL.—A grantee that receives grant amounts for a fiscal year for use under this subtitle may, pursuant to section 404, provide such amounts to units of general local government and private nonprofit organizations for use in accordance with this subtitle, except that the grantee shall ensure that more than 50 percent of the amounts received by the grantee for the fiscal year are used through private nonprofit organizations.

“(2) WAIVER OF USE OF NONPROFIT REQUIREMENT.—The Secretary may waive the requirement under paragraph (1) that a grantee ensure that more than 50 percent of the amounts received by the grantee for the fiscal year are used through private nonprofit organizations if the Secretary determines that there are not sufficient private nonprofit organizations available to the grantee to meet that requirement.

“(c) ADMINISTRATIVE FEE.—To the extent provided in section 408(g), grant amounts provided under this subtitle may be used by

the project sponsor providing such assistance for costs of administering such assistance.

“(d) TARGETING POPULATIONS WITH SPECIAL NEEDS.—To the maximum extent practicable, a grantee shall provide for use of grant amounts made available under this subtitle in a manner that provides permanent housing for homeless persons with disabilities, homeless persons with acquired immunodeficiency syndrome or related diseases, homeless persons who have chronic problems with alcohol or drugs (or both), homeless families with children, and veterans who are homeless.

“SEC. 412. PERMANENT HOUSING DEVELOPMENT.

“(a) IN GENERAL.—Housing shall be considered permanent housing for purposes of this title if the housing—

“(1) provides long-term housing for homeless persons;

“(2) complies with any applicable State and local housing codes, licensing requirements, or other requirement in the jurisdiction in which the housing is located, including any applicable State or local requirements regarding the number of occupants in such a facility; and

“(3) complies with the requirement under section 409(a) regarding providing supportive services for homeless persons.

“(b) CLARIFICATION.—Permanent housing may—

“(1) be restricted for occupancy by homeless persons with disabilities;

“(2) consist of or contain full dwelling units or dwelling units that do not contain bathrooms or kitchen facilities; and

“(3) be provided in the form of rental housing, cooperative housing, shared living arrangements, single family housing, or other types of housing arrangements.

“Subtitle C—Flexible Block Grant Homeless Assistance

“SEC. 421. ELIGIBLE ACTIVITIES.

“(a) IN GENERAL.—Grant amounts allocated for use under this subtitle may be used only for carrying out the following activities:

“(1) ACQUISITION AND REHABILITATION OF SUPPORTIVE HOUSING.—For acquisition or rehabilitation of an existing structure (including a small commercial property or office space) to provide supportive housing other than emergency shelter or to provide supportive services; the repayment of any outstanding debt owed on a loan made to purchase an existing structure for use as supportive housing shall be considered to be a cost of acquisition under this paragraph if the structure was not used as supportive housing or to provide supportive services, before assistance is provided using grant amounts.

“(2) NEW CONSTRUCTION OF SUPPORTIVE HOUSING.—For new construction of a structure to be used as supportive housing.

“(3) LEASING OF SUPPORTIVE HOUSING.—For leasing of an existing structure or structures, or portions thereof, to provide supportive housing or supportive services during the period covered by the application.

“(4) OPERATING COSTS FOR SUPPORTIVE HOUSING.—For covering operating costs of supportive housing (which shall include capital costs for utilizing any interactive computer or telephone services and other electronic information networks and systems appropriate for assisting homeless families); except that grant amounts provided under this subtitle may not be used to cover more than 75 percent of the annual operating costs of such housing.

“(5) HOMELESSNESS PREVENTION.—

“(A) IN GENERAL.—For activities designed to help persons (including veterans who are at risk of becoming homeless) and families

avoid becoming homeless, which shall include assistance for making mortgage payments, rental payments, and utility payments and any activities other than those found by the Secretary to be inconsistent with the purposes of this Act.

“(B) PERSONS ELIGIBLE FOR ASSISTANCE.—Assistance under this paragraph may be provided only to very low-income families who have received eviction (or mortgage delinquency or foreclosure) notices or notices of termination of utility services and who—

“(i) are unable to make the required payments due to a sudden reduction in income; “(ii) need such assistance to avoid homelessness due to the eviction or termination of services; and

“(iii) have a reasonable prospect of being able to resume payments within a reasonable period of time.

“(C) LIMITATION.—Assistance under this paragraph may be provided only if such assistance will not supplant funding for pre-existing homelessness prevention activities from other services.

“(6) PERMANENT HOUSING DEVELOPMENT ACTIVITIES.—For providing permanent housing development activities as described in subtitle B.

“(7) EMERGENCY SHELTER.—For—

“(A) renovation, major rehabilitation, or conversion of a building or buildings to be used as emergency shelters;

“(B) covering costs of supportive services in connection with an emergency shelter, if such services do not supplant any services provided by the local government during any part of the 12-month period ending on the date of the commencement of the operation of the emergency shelter; and

“(C) covering costs relating to maintenance, operation, insurance, utilities, and furnishings for emergency shelters.

“(8) SUPPORTIVE SERVICES.—To the extent provided in section 406, for covering costs of supportive services provided to homeless persons in connection with a permanent or supportive housing facility or otherwise.

“(9) TECHNICAL ASSISTANCE.—For technical assistance in carrying out the purposes of this title, except that the Secretary may provide such technical assistance directly to any grantee, including nonprofit sponsors who are proposing project applications for populations with special needs.

“(b) USE FOR HOUSING ACTIVITIES.—Of the aggregate of any grant amounts provided to a grantee for a fiscal year for use under this subtitle and the supplemental amounts provided for such fiscal year by the grantee in accordance with section 407, the grantee shall ensure that an amount that is not less than such grant amounts (less any amount used pursuant to section 408(g)) is used for eligible activities described in paragraphs (1) through (6) of subsection (a).

“SEC. 422. USE OF AMOUNTS THROUGH PRIVATE NONPROFIT PROVIDERS.

“(a) IN GENERAL.—In each fiscal year, each grantee of amounts for use under this subtitle shall ensure that more than 50 percent of the amounts received by the grantee for such fiscal year are used for carrying out eligible activities under section 421 through project sponsors that are private nonprofit organizations.

“(b) WAIVER.—The Secretary may waive the requirement under subsection (a) that a grantee ensure that more than 50 percent of the amounts received by the grantee for the fiscal year are used through private nonprofit organizations if the Secretary determines that there are not sufficient private nonprofit organizations available to the grantee to meet that requirement.

“SEC. 423. SUPPORTIVE HOUSING.

“(a) IN GENERAL.—Housing shall be considered supportive housing for purposes of this subtitle if—

“(1) the housing complies with the requirement under section 409(a) regarding providing supportive services for homeless persons;

“(2) the housing complies with any applicable State and local housing codes and licensing requirements in the jurisdiction in which the housing is located; and

“(3) the housing—

“(A) is transitional housing; or

“(B) is permanent supportive housing as described in section 412.

“(b) TRANSITIONAL HOUSING.—For purposes of this section, the term ‘transitional housing’ means housing, the purpose of which is to facilitate the movement of homeless persons and families to permanent housing within 24 months or such longer period as the Secretary determines necessary. Assistance may be denied for housing based on a violation of this subsection only if a substantial number of homeless persons or families have remained in the housing longer than such period.

“(c) SINGLE ROOM OCCUPANCY DWELLINGS.—For purposes of this section, a facility may provide supportive housing or supportive services in dwelling units that do not contain bathrooms or kitchen facilities and are appropriate for use as supportive housing or in facilities containing some or all such dwelling units.

“(d) SAFE HAVEN HOUSING.—For purposes of this section, supportive housing may be a structure or a clearly identifiable portion of a structure that—

“(1) provides housing and low-demand services and referrals for homeless persons with serious mental illness—

“(A) who are currently residing primarily in places not designed for, or ordinarily used as, regular sleeping accommodations for human beings; and

“(B) who have been unwilling or unable to participate in mental health or substance abuse treatment programs or to receive other supportive services; except that a person whose sole impairment is substance abuse shall not be considered an eligible person;

“(2) provides 24-hour residence for eligible individuals who may reside for an unspecified duration;

“(3) provides private or semi-private accommodations;

“(4) may provide for the common use of kitchen facilities, dining rooms, and bathrooms;

“(5) may provide supportive services to eligible persons who are not residents on a drop-in basis; and

“(6) provides occupancy limited to no more than 25 persons.

“SEC. 424. EMERGENCY SHELTER.

“(a) IN GENERAL.—A facility shall be considered emergency shelter for purposes of this subtitle if the facility is designed to provide overnight sleeping accommodations for homeless persons and complies with the requirements under this section. An emergency shelter may include appropriate eating and cooking accommodations.

“(b) REQUIREMENTS.—Grant amounts under this subtitle may be used for eligible activities under section 421(a)(7) relating to emergency shelter only if—

“(1) the Secretary determines that—

“(A) use of such amounts is necessary to meet the emergency shelter needs of the jurisdiction in which the facility is located; and

“(B) the use of such amounts for such activities will not violate the prohibition under section 408(f); and

“(2) the project sponsor agrees that it will—

“(A) in the case of assistance involving major rehabilitation or conversion of a building, maintain the building as a shelter for homeless persons and families for not less than a 10-year period unless, within such 10-year period, the need for maintaining the building as a full-time shelter ceases to exist and the building is used for the remainder of such period to carry out other eligible activities under this subtitle;

“(B) in the case of assistance involving rehabilitation (other than major rehabilitation or conversion of a building), maintain the building as a shelter for homeless persons and families for not less than a 3-year period;

“(C) in the case of assistance involving only activities described in subparagraphs (B) and (C) of section 421(a)(7), provide services or shelter to homeless persons and families at the original site or structure or other sites or structures serving the same general population for the period during which such assistance is provided;

“(D) comply with the standards of housing quality applicable under section 408(h); and

“(E) assist homeless persons in obtaining—

“(i) appropriate supportive services, permanent housing, medical and mental health treatment (including information and counseling regarding the benefits and availability of child immunization), counseling, supervision, veterans benefits, and other services essential for achieving independent living; and

“(ii) other Federal, State, local, and private assistance available for homeless persons.

“Subtitle D—Reporting, Definitions, and Funding

“SEC. 431. PERFORMANCE REPORTS BY GRANTEEES.

“(a) REQUIREMENT.—For each fiscal year, each grantee under this title shall review and report, in a form acceptable to the Secretary, on the progress it has made during such fiscal year in carrying out the activities described in the application resulting in such grant and the relationship of such activities to the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act for the applicable jurisdiction.

“(b) CONTENT.—Each report under this section for a fiscal year shall—

“(1) describe the use of grant amounts provided to the grantee for such fiscal year;

“(2) to the extent practicable until the development of a reasonable methodology by the Secretary and the Interagency Council on the Homeless, describe the number of homeless persons and families, including populations with special needs provided shelter, housing, or assistance using such grant amounts;

“(3) assess the relationship of such use to the goals identified pursuant to section 105(b)(2) of the Cranston-Gonzalez National Affordable Housing Act in the comprehensive housing affordability strategy for the applicable jurisdiction;

“(4) indicate the grantee’s programmatic accomplishments;

“(5) describe how the grantee would change its programs as a result of its experiences; and

“(6) describe any delays that occurred in the start up of programs and the reason for each delay.

“(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title. The Secretary may withhold or reallocate funds granted to a

grantee if the Secretary finds that the grantee has complied with applicable program requirements, but not substantially complied with the application that the grantee submitted to obtain such funds.

“(d) PUBLIC AVAILABILITY.—

“(1) IN GENERAL.—A grantee preparing a report under this section shall make the report publicly available to the citizens in the jurisdiction of the grantee in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the grantee may determine. The report shall include a summary of any such comments received by the grantee regarding its program.

“(2) ELECTRONIC ACCESS.—A grantee may comply with the requirement under paragraph (1) by making the report available through interactive computer or telephone services or other electronic information networks and systems appropriate for making such information widely publicly available. The Secretary shall make each final report submitted under this section publicly available through such a computer, telephone, or information service, network, or system.

“(e) AUTHORITY OF SECRETARY.—The Secretary shall establish procedures appropriate and practicable for providing a fair hearing and timely resolution of citizen complaints related to performance reports under this section.

“SEC. 432. ANNUAL REPORT BY SECRETARY.

“The Secretary shall include in the annual report, under section 8 of the Department of Housing and Urban Development Act, information summarizing the activities carried out under this title and setting forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. Such information shall be made publicly available through interactive computer or telephone services or other electronic information networks and systems appropriate for making such information widely available to the public.

“SEC. 433. DEFINITIONS.

“For purposes of this title, the following definitions shall apply:

“(1) APPLICANT.—The term ‘applicant’ means an eligible grantee that submits an application under section 408(a) for a grant under this title.

“(2) ELIGIBLE GRANTEE.—The term ‘eligible grantee’ is defined in section 403.

“(3) FACILITY.—The term ‘facility’ means a structure or structures (or a portion of such structure or structures) that are assisted through eligible activities under subtitle C with grant amounts under this title (or for which the Secretary provides technical assistance under section 421(a)(9)).

“(4) GRANTEE.—The term ‘grantee’ means an applicant that receives a grant under this title.

“(5) INSULAR AREA.—The term ‘insular area’ means each of the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other territory or possession of the United States.

“(6) METROPOLITAN CITY, CONSORTIUM.—The term ‘metropolitan city’ has the meaning given that term in section 102 of the Housing and Community Development Act of 1974. A consortium of units of general local governments shall be considered to be a metropolitan city—

“(A) for amounts allocated in accordance with section 406(c)(3), only if the consortium received a formula grant for fiscal year 1996 or 1997 under subtitle B of this title, as then in effect; and

“(B) for amounts allocated in accordance with any formula developed pursuant to section 406(c)(5), only if the Secretary determines that the consortium—

“(i) (I) is comprised of units of general local government which are geographically contiguous (which may include all units of general local government within a State);

“(II) has sufficient authority and administrative capability to carry out the purposes of this title on behalf of its member jurisdictions; and

“(III) will, according to a written certification by the State (or States, if the consortium includes jurisdictions in more than one State) in which its member jurisdictions are located, direct its activities to alleviation of homelessness problems within the State (or States); or

“(ii) received a formula grant for fiscal year 1996 or 1997 under subtitle B of this title, as then in effect.

“(7) NONENTITLEMENT AREA.—The term ‘nonentitlement area’ means an area that is not a metropolitan city or part of an urban county and does not include Indian tribes or insular areas.

“(8) OPERATING COSTS.—The term ‘operating costs’ means expenses incurred by a grantee operating supportive housing assisted with grant amounts under this title, with respect to—

“(A) the administration, maintenance, repair, and security of such housing;

“(B) utilities, fuel, furnishings, and equipment for such housing; and

“(C) the conducting of the assessment under section 408(b)(2).

“(9) OUTPATIENT HEALTH SERVICES.—The term ‘outpatient health services’ means outpatient health care, outpatient mental health services, outpatient substance abuse services, and case management.

“(10) PERSON WITH DISABILITIES.—The term ‘person with disabilities’ means a person who—

“(A) has a disability as defined in section 223 of the Social Security Act;

“(B) is determined to have, pursuant to regulations issued by the Secretary, a physical, mental, or emotional impairment which (i) is expected to be of long-continued and indefinite duration, (ii) substantially impedes an individual’s ability to live independently, and (iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

“(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

“(11) PRIVATE NONPROFIT ORGANIZATION.—The term ‘private nonprofit organization’ means any private organization that—

“(A) is organized under State or local laws;

“(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

“(C) complies with standards of financial accountability acceptable to the Secretary; and

“(D) has among its purposes significant activities related to the provision of—

“(i) decent housing that is affordable to low-income and moderate-income families; or

“(ii) shelter, housing, or services for homeless persons or families or for persons or families at risk of becoming homeless.

“(12) PROJECT SPONSOR.—The term ‘project sponsor’ means an entity that uses grant amounts under this title to carry out a permanent housing development program under subtitle B or eligible activities under subtitle C. The term includes a grantee carrying out such a program or activities.

“(13) SECRETARY.—The term ‘Secretary’ means the Secretary of Housing and Urban Development.

“(14) STATE.—The term ‘State’ means each of the several States and the Commonwealth of Puerto Rico.

“(15) SUPPORTIVE HOUSING.—The term ‘supportive housing’ means a facility that meets the requirements of section 423.

“(16) SUPPORTIVE SERVICES.—The term ‘supportive services’ means services under section 409.

“(17) URBAN COUNTY, UNIT OF GENERAL LOCAL GOVERNMENT.—The terms ‘urban county’ and ‘unit of general local government’ have the meanings given the terms in section 102 of the Housing and Community Development Act of 1974.

“(18) VERY LOW-INCOME FAMILIES.—The term ‘very low-income families’ has the same meaning given the term under section 3(b) of the United States Housing Act of 1937 (or any other subsequent provision of Federal law defining such term for purposes of eligibility for, or rental charges in, public housing).

“SEC. 434. REGULATIONS.

“(a) ISSUANCE.—Not later than the expiration of the 30-day period beginning upon the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act, the Secretary shall issue interim regulations to carry out this title. The Secretary shall issue final regulations to carry out this title after notice and opportunity for public comment regarding the interim regulations in accordance with the procedure under section 553 of title 5, United States Code, applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section), but not later than the expiration of the 90-day period beginning upon the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act.

“(b) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations under this section shall not affect the effectiveness of any provision of this title pursuant to section 4(b) of the Homeless Housing Programs Consolidation and Flexibility Act.

“SEC. 435. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated for grants under this title \$1,000,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002.

“(b) PROHIBITION ON SET ASIDES.—Notwithstanding any other provision of law, any attempt to put any restriction on the use of funds appropriated for this title (such as for use in special projects) shall be considered an appropriation without authorization and shall be without force or effect.”

“(b) APPLICABILITY.—The provisions of the amendment made by subsection (a) shall apply with respect to fiscal year 1998 and each fiscal year thereafter.

“SEC. 6. INTERAGENCY COUNCIL ON THE HOMELESS.

(a) CHAIRPERSON AND VICE CHAIRPERSON.—Section 202(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11312(b) is amended to read as follows:

“(b) CHAIRPERSON AND VICE CHAIRPERSON.—

“(1) CHAIRPERSON.—The Council shall elect a Chairperson from among its members, who shall have a term of 2 years. A member of the Council by reason of any of paragraphs (1) through (16) of subsection (a) who serves as Chairperson for a term may not be elected to serve as Chairperson for the succeeding term. The preceding sentence shall not apply to any member serving as Chairperson on the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act.

“(2) VICE CHAIRPERSON.—The Vice Chairperson of the Council shall have a term of 2 years and shall be—

"(A) the Secretary of Housing and Urban Development, if such Secretary is not elected as the Chairperson of the Council; or

"(B) elected by the Council from among its members, if the Secretary of Housing and Urban Development is elected as the Chairperson of the Council.

"(3) Notwithstanding paragraphs (1) and (2), the first Chairperson elected after the date of the enactment of the Homeless Housing Programs Consolidation and Flexibility Act may not be the Secretary of Housing and Urban Development."

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 208 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11318) is amended to read as follows:

"SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

"Of any amounts made available in any fiscal year to carry out this Act, 0.0012 of such amounts shall be available to carry out this title."

(c) **TERMINATION.**—Section 209 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11319) is amended by striking "October 1, 1994" and inserting "October 1, 2002".

(d) **REPEAL.**—Section 210 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11320) is hereby repealed.

SEC. 7. INVENTORY OF FEDERAL FACILITIES SUITABLE FOR OVERNIGHT SHELTER FOR HOMELESS PERSONS.

(a) **IDENTIFICATION.**—Not later than 30 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall request, from the head of each executive agency, information that identifies each covered facility (or any parts thereof) under the control of the executive agency that is suitable for use as temporary overnight shelter for homeless persons.

(b) **CONSULTATION.**—At the request of the head of any executive agency, the Secretary shall consult with such agency head regarding whether facilities of the agency, or a particular facility or facilities, are covered facilities or are suitable for use as temporary overnight shelter for homeless persons.

(c) **COMPILATION AND PUBLICATION.**—Not later than 60 days after the date of the enactment of this Act, the Secretary shall compile the information submitted pursuant to subsection (a) and cause the compiled information to be published in the Federal Register a list of all covered facilities identified as suitable for use as temporary overnight shelter for homeless persons.

(d) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **COVERED FACILITY.**—The term "covered facility" means any building, structure, land, or other real property that, in the determination of the head of the Federal agency having control of the property, using standards that shall be established by the Secretary, reasonably could be made available for the use described in subsection (a) without substantial conflict with any other existing, expected, or potential use of the property to carry out the mission of the agency.

(2) **EXECUTIVE AGENCY.**—The term "executive agency" has the meaning given such term in section 105 of title 5, United States Code.

(3) **HOMELESS PERSON.**—The term "homeless person" has the meaning given such term in section 102 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(4) **SECRETARY.**—The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 8. REPEALS AND CONFORMING AMENDMENTS.

(a) **REPEALS.**—The following provisions of law are hereby repealed:

(1) **INNOVATIVE HOMELESS INITIATIVES DEMONSTRATION.**—Section 2 of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note).

(2) **FHA SINGLE FAMILY PROPERTY DISPOSITION FOR HOMELESS USE.**—Section 1407 of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 4034).

(3) **HOUSING FOR RURAL HOMELESS AND MIGRANT FARMWORKERS.**—Subsection (k) of section 516 of the Housing Act of 1949 (42 U.S.C. 1486(k)).

(b) **TERMINATION OF SRO ASSISTANCE PROGRAM.**—Section 8(e)(2) of the United States Housing Act of 1937 shall not be in effect on or after the date of the enactment of this Act as provided in subsections (a)(4) and (b)(2) of section 289 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12839).

(c) **CONFORMING AMENDMENTS TO YOUTHBUILD PROGRAM.**—Title IV of the Cranston-Gonzalez National Affordable Housing Act is amended—

(1) in section 455(b) (42 U.S.C. 12899d(b)) by inserting "subtitle C of" before "title IV"; and

(2) in section 457(4) (42 U.S.C. 12899f(4)), by striking "section 103" and inserting "section 102".

(d) **CLERICAL AMENDMENT.**—The table of contents in section 101(b) of the Stewart B. McKinney Homeless Assistance Act is amended by striking the items relating to titles I, II, III, and IV (including the items relating to the subtitles, parts, and sections of such titles) and inserting the following new items:

"TITLE I—GENERAL PROVISIONS

"Sec. 101. Short title and table of contents.

"Sec. 102. General definition of homeless individual.

"Sec. 103. Funding availability and limitations.

"Sec. 104. Annual program summary by Comptroller General.

"TITLE II—INTERAGENCY COUNCIL ON THE HOMELESS

"Sec. 201. Establishment.

"Sec. 202. Membership.

"Sec. 203. Functions.

"Sec. 204. Director and staff.

"Sec. 205. Powers.

"Sec. 206. Transfer of functions.

"Sec. 207. Definitions.

"Sec. 208. Authorization of appropriations.

"Sec. 209. Termination.

"TITLE III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

"Subtitle A—Administrative Provisions

"Sec. 301. Emergency Food and Shelter Program National Board.

"Sec. 302. Local boards.

"Sec. 303. Role of Federal Emergency Management Agency.

"Sec. 304. Records and audit of National Board and grantees of assistance.

"Sec. 305. Annual report.

"Subtitle B—Emergency Food and Shelter Grants

"Sec. 311. Grants by the Director.

"Sec. 312. Retention of interest earned.

"Sec. 313. Purposes of grants.

"Sec. 314. Limitation on certain costs.

"Sec. 315. Disbursement of funds.

"Sec. 316. Program guidelines.

"Subtitle C—General Provisions

"Sec. 321. Definitions.

"Sec. 322. Authorization of appropriations.

"TITLE IV—PERMANENT HOUSING DEVELOPMENT AND FLEXIBLE BLOCK GRANT HOMELESS ASSISTANCE PROGRAM

"Subtitle A—General Provisions

"Sec. 401. Purpose; performance measures.

"Sec. 402. Grant authority.

"Sec. 403. Eligible grantees.

"Sec. 404. Use of project sponsors.

"Sec. 405. Comprehensive housing affordability strategy compliance.

"Sec. 406. Allocation and availability of amounts.

"Sec. 407. Matching funds requirement.

"Sec. 408. Program requirements.

"Sec. 409. Supportive services.

"Sec. 410. Nondiscrimination in programs and activities.

"Subtitle B—Permanent Housing Development Activities

"Sec. 411. Use of amounts and general requirements.

"Sec. 412. Permanent housing development.

"Subtitle C—Flexible Block Grant Homeless Assistance

"Sec. 421. Eligible activities.

"Sec. 422. Use of amounts through private nonprofit providers.

"Sec. 423. Supportive housing.

"Sec. 424. Emergency shelter.

"Subtitle D—Reporting, Definitions, and Funding

"Sec. 431. Performance reports by grantees.

"Sec. 432. Annual report by Secretary.

"Sec. 433. Definitions.

"Sec. 434. Regulations.

"Sec. 435. Authorization of appropriations."

SEC. 9. SAVINGS PROVISION.

Nothing in this Act may be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement entered into before the date of the enactment of this Act under any provision of law repealed or amended by this Act.

SEC. 10. TREATMENT OF PREVIOUSLY OBLIGATED AMOUNTS.

Notwithstanding the amendment or repeal of any provision of law by this Act, any amounts appropriated to carry out the provisions so amended or repealed that are obligated before the date of the enactment of this Act shall be used in the manner provided, and subject to any requirements and agreements entered into, under such provisions as such provisions were in effect immediately before such date of enactment.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. LAZIO).

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume, and I would begin by thanking the gentleman from Massachusetts (Mr. KENNEDY), the ranking member on the committee, for his cooperation throughout the process. I will have more to say about him later, because I think this product is largely an effort of cooperation between the two sides, and I am proud of that.

Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. LEACH), the great chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding me this time, and let me just say that this particular bill, which is a homeless housing consolidation act, was introduced by our distinguished chairman of the Subcommittee on Housing of the Committee on Banking and Financial Services,

the gentleman from New York (Mr. LAZIO). It has received a great deal of partisan input, led by the gentleman from Massachusetts (Mr. KENNEDY), and a number of refinements from the administration and Mr. Cuomo, Secretary of HUD.

I personally think it is a common sense, thoughtful, constructive way to proceed with homeless housing. It represents a commitment of Congress to this arena of public concern, which is one of the most extraordinary in this country at this time. For a country the size of ours to have the depth of our problems is clearly a national embarrassment that takes a great deal of national commitment to overcome.

I would just like to suggest to my colleagues that this is one of these kinds of bills that has had the input of lots of parties and certainly the gentleman from Massachusetts, in his support, symbolizes that; but the gentleman from New York, again, this distinguishes him as one of the pre-eminent subcommittee chairmen of the House, and I am very appreciative of his leadership on this issue.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume to say, first and foremost, that I would like to again commend the chairman of the Subcommittee on Housing and let him know what a great job I think he has done on this bill and look forward to a strong vote on this bill in a few minutes.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. LAFALCE), the new ranking member. I think this is his first time on the House floor as the ranking member of our Committee on Banking and Financial Services, and we all appreciate the dedication and support he has shown not only to housing but in looking out for working families across the board.

□ 1430

Mr. LAFALCE. Mr. Speaker, I am so pleased my first occasion speaking as the ranking Democrat is on behalf of H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act, because I cannot think of any issue that is more important to our committee and to the House, and I cannot think of any bill that I am more supportive of.

Taking on the housing problems of the homeless can often be a thankless task. That is why I would like to start by giving special recognition to the efforts of the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY), the chairman and ranking member of the Subcommittee on Housing and Community Opportunity. Both of the gentlemen have a shared commitment to improving the housing condition of all Americans, and the two have crafted a bipartisan bill to address an issue that could have been polarized, could have been politicized. It gives me hope that we might move other essential housing

reform bills ready for conference in an equally collegial fashion.

The bill before us, however, is not only the product of compromise across the aisle. Advocates for homeless providers, homeless persons and State and local governments have also compromised in an effort to move this bill. It is a good compromise, one that includes a number of long-needed reforms.

For one, the bill redirects a recent trend away from developing permanent housing to funding supportive service programs. Certainly we recognize that the service needs of formerly homeless persons and families run deep. But if permanent affordable housing is unavailable, providing services is meaningless. H.R. 217 addresses this problem by preserving 30 percent of the annual appropriation for permanent housing development, and discourages States and localities from using more than 35 percent of their grant for services.

Equally important is the bill's authorization level of \$1 billion, \$177 million more than the current appropriation of \$823 million. I am hopeful this level will send a strong message to the appropriators that the homeless funding level of the last 4 years has been and is insufficient.

Reductions in SSI and food stamps have already put an additional strain on our already overburdened emergency shelters. With time limits on welfare assistance looming before us, there is increased pressure to invest in homeless prevention and emergency housing programs as well as affordable housing development. Despite the fact that our housing delivery system is becoming increasingly more efficient and effective, it cannot sustain all these new and looming pressures without additional resources. So I appeal to the appropriators to recognize the increased needs in our communities, as the authorizing committee has done, and give some relief to an already overburdened system.

Again, I urge all Members to support the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) in supporting H.R. 217.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume, and I yield to the gentleman from Iowa (Mr. LEACH), the chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding. On behalf of the majority, I would like to speak out of order for a few seconds simply to congratulate the minority in their thoughtfulness in designating the gentleman from New York (Mr. LAFALCE) as the new ranking member. Speaking personally, he is not only a wonderful friend but his background in all the issues before the Committee on Banking and Financial Services is unparalleled and unmatched. We are very honored to work with him and we look forward to that prospect.

Mr. LAZIO of New York. Mr. Speaker, I want to once again thank the gentleman from Iowa (Mr. LEACH), the chairman of the committee, for his leadership and his commitment to the needs of low-income families and individuals. Without his help, this bill would not be before us today.

Mr. Speaker, today we embark upon a journey with a worthy destination, an America where no one has to live or die on the streets. Tragically, walking through the streets of many of our cities today, one would see a much different picture than our ideal portrait of an American community. On any one evening in America, say last night, for example, over a half million people, real people with real lives, are homeless. Why? The frustration is that we know what works. We have seen it. It is being done.

Take Julius, for example, who lives at Jeremiah House, a successful housing facility for homeless adults in the shadow of this Capitol. Earlier today the gentleman from Texas (Mr. SESSIONS) and I visited Jeremiah House and spoke to Julius. Julius lived on the streets and in abandoned cars for more than 10 years as a result of drug and alcohol addiction. Today Julius lives at the Jeremiah House, and with the help of his family, he is involved in a substance abuse program, regularly attends church, is enrolled in engineering courses at the University of the District of Columbia, and hopes to receive his Bachelor's degree next year. This, Mr. Speaker, is success.

Although the Federal Government has more than doubled spending on programs designed to address homelessness in the 1990s, hunger and homelessness continue to increase. Families with children comprise more than one-third of today's homeless population. More than 75 percent of homeless adults struggle with mental illness, substance abuse or chronic illness. And at least 25 percent of homeless men are veterans of our armed forces. How can we tolerate their plight? What can be more heart-wrenching than stories of those who fought for our freedom only to find themselves faced with living on the streets when they get back home?

Mr. Speaker, we must ask ourselves one simple question: Do we accept the status quo as inevitable, or must we work harder to find better ways to get better results? Unless we are willing to follow the lead of too many Third World countries where the homeless die alone on streets every day, clearly we must do a better job.

Today we begin to move away from the temporary Band-Aid type solutions of the past. Today we refocus our efforts on preventative strategies and permanent solutions to homelessness. Today we recognize the successes of neighborhood partnerships that link permanent shelter with a strategy of continuing services designed to give the homeless the best chance at self-sufficiency.

This bill, H.R. 217, the Homeless Housing Programs Consolidation and

Flexibility Act, will provide the 21st century framework to restore hope to hundreds of thousands of unsheltered Americans. It will give those on the streets a real chance at reconnecting with society, their friends and their family.

Our legislation consolidates the 7 existing homeless housing programs under HUD into a single, flexible funding stream for States and communities. Decision-making is given to communities and States, and moves away from centralized planning and the Washington-knows-best mentality.

Homelessness, Mr. Speaker, should not be hopelessness. In our bill, some funding is reserved for a permanent housing competitive grant process to transition toward long-term solutions to homelessness. Last year HUD spent only 10 percent of homeless assistance funds to build permanent housing. Let me be clear: Only 10 percent of Federal homeless assistance last year was spent for exactly what the homeless desperately need, homes.

We cannot afford to let bureaucratic barriers stand in the way of proven solutions and the hope that they bring. Our bill requires all Federal departments and agencies to coordinate homeless assistance. In this way, we eliminate the wasteful duplication of resources, close the gap in services and confront homeless issues holistically.

Finally, our legislation encourages partnerships among nonprofit developers, faith-based groups and service agencies to link permanent housing with a continuum of services. By addressing the core issues of homelessness through a concerted community effort, we give the homeless a real chance to reclaim their stake in society and improve their quality of life.

Mr. Speaker, today this House has the unique opportunity to advance not only common-sense public policy, but also policy with compassion for those without the most basic of human necessities, adequate shelter. Government should be about funding programs that work, that are locally controlled, and that empower our most vulnerable citizens. Too often the homeless are trapped in a revolving door from shelters, to the streets, emergency rooms, treatment centers and back again. Our work here today will help break that cycle and begin the process of ending homelessness in America.

Mr. Speaker, I would also mention the committee's efforts to consolidate the homeless assistance programs are strongly supported by a variety of organizations, including the Vietnam Veterans of America; the U.S. Conference of Mayors; the Association of Local Housing Finance Agencies; the National Association of Counties; the National Community Development Association; LISC, the Local Initiatives Support Corporation; the National Alliance to End Homelessness; the National Law Center on Homelessness and Poverty; and many, many others. Mr.

Speaker, I include for the RECORD letters of support from these organizations, as follows:

SUPPORTERS OF H.R. 217

Vietnam Veterans of America, Inc.
U.S. Conference of Mayors
The National Alliance to End Homelessness, Inc.
National Association of Counties
National Community Development Association
Association of Local Housing Finance Agencies
Local Initiatives Support Corporation (LISC)
Corporation for Supportive Housing
National Law Center on Homelessness and Poverty

VIETNAM VETERANS OF AMERICA, INC.,
Washington, DC, February 23, 1998.

Hon. RICK LAZIO,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN LAZIO: On behalf of the membership of Vietnam Veterans of America (VVA), I write to strongly support passage of H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act. We feel that the veterans provisions within this bill will greatly assist veterans who are homeless. By increasing access of veterans community-based homeless assistance providers to the HUD homeless funding process, this legislation can facilitate an effective federal response to the national tragedy of disproportionate numbers of veterans among the homeless population.

Homelessness in America is a terrible tragedy. The prevalence of veterans among the homeless population is an even more poignant statement about this tremendous loss of human potential and productivity. As we have discussed with you and your staff, even though widely accepted statistics and analysis show that some 30 percent of the homeless population are veterans, HUD has not been successful in ensuring that it's nearly \$1 billion in annual homeless assistance spending appropriately targets these unique needs.

In prior administration's and occasionally even among the current cadre of federal officials, HUD has pointed the finger at VA, essentially saying, "Veterans are their responsibility." But such a policy perspective fails to realize that VA—as a hospital and benefits system—was never designed to treat the complexities of homelessness. While the VA, in recent years, has made tremendous efforts to help veterans who are homeless, the fact remains that VA is not in the housing business. HUD is the federal agency that deals with homeless assistance and housing programs.

VVA has worked on the homeless veterans issue for many years. And while we are heartened to see more attention devoted to the issue, it is disconcerting that current efforts to address homelessness do not met the specific needs of veterans. The plight of homeless veterans is often misunderstood and overlooked. If general homeless assistance programs—which HUD supports—were effectively rehabilitating veterans, we would not expect to see the disproportionate numbers of veterans within the homeless population. This is why it is so critical that programs which target these veterans' unique needs and maximize their rehabilitation potential are nurtured and supported with federal funding. Veterans are a "federal" responsibility—and not just a VA responsibility.

VVA feels very strongly that the veterans provisions of H.R. 217 will help to combat the specific and unique causes of homelessness among veterans. We strongly urge the House

of Representatives to pass this bill, and we further urge the Senate to enact H.R. 217. Thank you for your and the subcommittee's work on behalf of homeless veterans.

Sincerely,

GEORGE C. DUGGINS,
National President.

MARCH 2, 1998.

Hon. RICK LAZIO,
Chairman, House Subcommittee on Housing and Community Renewal, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We write to endorse your efforts to move H.R. 217, the "Homeless Housing Programs Consolidation and Flexibility Act" through the House of Representatives. Consolidation of the McKinney Act's homeless housing programs is an idea whose time has come. In a time when the Department of Housing and Urban Development is undergoing a drastic downsizing the last thing it needs is to run a series of competitions for homeless housing funds. Instead, communities should receive homeless housing funds via a block grant, as generally H.R. 217 would do, so that they can use the funds to meet locally identified homeless housing and service needs. A number of members have advised us that the current competitive method of awarding McKinney Act funds often has the effect of denying funding to their top priority projects.

Creation of a homeless housing block grant and its continuum of care will give communities the certainty of funding they need to undertake comprehensive, long-term strategies to address homelessness.

Although we don't support all of the provisions in H.R. 217, we believe it essential that the legislative process move forward. Passage of this bill will provide the momentum to encourage the Senate to act on a homeless block grant. Once the legislation moves to a House-Senate Conference Committee we will seek modification to several of the provisions in H.R. 217.

Mr. Chairman, we applaud your leadership on this important issue.

Sincerely,

ASSOCIATION OF LOCAL
HOUSING FINANCE
AGENCIES.
NATIONAL ASSOCIATION OF
COUNTIES.
NATIONAL COMMUNITY
DEVELOPMENT
ASSOCIATION.
U.S. CONFERENCE OF
MAYORS.

THE NATIONAL ALLIANCE
TO END HOMELESSNESS, INC.,
Washington, DC, February 23, 1998.

Hon. RICK A. LAZIO,
Chairman, Subcommittee on Housing and Community Opportunity, House of Representatives; Washington, DC.

DEAR MR. CHAIRMAN: Over the past several years, we at the Alliance have deeply appreciated your commitment to improving the way in which federal homeless assistance is delivered through the HUD Homeless Assistance Grants. This critical HUD program must address the complex set of challenges that face an extremely diverse homeless population, and it must also respond to the equally complex set of needs of a diverse delivery mechanism. H.R. 217 addresses both sets of needs and challenges and provides a valuable blueprint for re-tolling homeless assistance to achieve the maximum benefit for homeless people.

The National Alliance to end Homelessness believes that any federal homeless assistance program should adhere to the following principles:

End homelessness for as many people as possible through the provision of permanent housing;

Ensure decent "shelter" for those experiencing emergencies and for whom permanent housing is not provided;

Provide flexible funding so that local issues can be addressed, but ensure nonprofit involvement and provide rigorous federal monitoring and oversight to overcome the problems that arise from politicization at the local level;

Increase the motivation and capacity to deal with the problem at the state and local levels;

Ensure that any assistance delivered has a direct and measurable benefit to homeless people, and that the primary thrust of this benefit is their achievement of stability in permanent housing.

H.R. 217 specifically addresses these principles. It reverses the recent trend toward more funding of services and temporary solutions by setting aside funding for permanent housing. It establishes a critical priority for housing for people with chronic disabilities. It targets more resources to the problem by including an authorization level of one billion dollars. It includes local boards to determine how funds will be spent and to monitor their effectiveness. It targets assistance to nonprofit organizations. It addresses the difficult problems of funding services and providing a predictable source of funding to local areas for emergency and transitional assistance. In short, H.R. 217 moves us closer to a system that addresses the primary goal of ending homelessness both for individual homeless people and families, and for the nation.

We at the Alliance have deeply appreciated your willingness to work with us, and to listen to our concerns and those of our members, as you have developed the concepts contained in H.R. 217. We know personally of your commitment to provide real assistance to homeless people. We look forward to continuing to work with you as we collectively improve the homeless assistance system.

Sincerely,

NAN ROMAN.

LOCAL INITIATIVES SUPPORT CORP.,

New York, NY, February 23, 1998.

Hon. RICK LAZIO,

Chairman, Subcommittee on Housing and Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR MR. LAZIO: I am writing on behalf of the Local Initiatives Support Corporation (LISC) to applaud your recognition within H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act, of the importance of permanent housing to end homelessness by giving our communities' most frail citizens the foundation they need to live healthy, productive lives. As you know, LISC has been working with community development corporations (CDCs) since 1979 providing the necessary tools for them to develop affordable housing and offer the range of social services that revitalizes and reinvigorates communities.

Among a range of activities, LISC provides financing and technical assistance for the development of affordable housing for homeless and disabled persons requiring supportive services. Through the syndication of Low Income Housing Tax Credits in partnership with the National Equity Fund (NEF), we are able to leverage substantial private sector investments for these projects. But this private investment is possible only if long term project subsidies are available to fill the gap between the operating costs and what homeless people can afford to pay in rent. H.R. 217's dedication of national resources for the development of permanent

housing will ensure that CDCs can continue to be part of the solution of homelessness in their communities.

LISC also commends the increased \$1 billion authorization level of H.R. 217 which acknowledges the need for additional resources to combat homelessness. Federal homeless funds shaped by a vision of creating permanent housing solutions are a significant step towards helping our homeless neighbors reclaim a stake in community life.

Sincerely,

PAUL S. GROGAN,
President.

CORPORATION FOR
SUPPORTIVE HOUSING,
New York, NY, February 28, 1998.

Representative RICK LAZIO,

Chairman, Subcommittee on Housing and Community Opportunity, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN LAZIO: I write on behalf of the Corporation for Supportive Housing (CSH) to support H.R. 217, The Homeless Housing Programs Consolidation and Flexibility Act of 1997. While CSH has objections to certain provisions of the bill, which I have articulated to you and repeat below, it remains clear that H.R. 217 would both assure expansion of permanent solutions to homelessness, and enlist state and local governments as real partners of the federal government in the battle to end homelessness nationwide.

CSH is a national nonprofit intermediary dedicated to expanding the quantity and quality of supportive housing available to people who are homeless or at risk of becoming so. The supportive housing model combines permanent, low income housing with on-site mental health, substance abuse, employment and other support services which help the most vulnerable homeless individuals to regain control of their own lives and a stake in the life of their communities. Over the past decade, community based nonprofits have demonstrated that supportive housing is an effective and cost-efficient solution to homelessness. It both provides residential stability for even the most disabled homeless individuals (federal and state government commissioned studies have confirmed tenant retention rates exceeding 75%) and enables those individuals to reduce the frequency and magnitude of their encounters with such costly, emergency driven public systems as psychiatric hospitals, emergency rooms, detox facilities, and jails. Indeed, for the most vulnerable of homeless individuals with special needs such as mental illness, chronic health conditions, or other disabilities, supportive housing is the only demonstrated permanent solution to chronic homelessness.

Several aspects of H.R. 217 merit special mention. First, H.R. 217 recognizes permanent supportive housing as an effective, sustaining and cost-efficient solution to homelessness by proposing to target a percentage of authorized funding (25% growing to 30%) for development of permanent housing. This permanent housing set aside ensures both that sufficient funds can be concentrated at the local level to develop new permanent housing, and that a steady stream of federal funds will remain available for supportive housing providers. Critically, by specifically including long-term rental assistance among the eligible activities for permanent housing funds, H.R. 217 guarantees maximal leveraging of federal homeless assistance funds by state and local governments, philanthropy, and private investors. (For example, private investors in the Low Income Housing Tax Credit can typically provide about one-half of the amount needed for development where long term federal subsidies are in place. HUD research confirms the

broader phenomenon. For example, HUD's 1994 report to Congress stated that every McKinney Shelter Plus Care dollar leveraged \$2 in local and/or private services funding and every McKinney Section 8 Mod/Rehab dollar leveraged \$1.50 in non-federal development dollars.) H.R. 217 also provides for a range of long term rental assistance options, thereby supplying the critical linchpin for creating permanent and sustaining solutions to homelessness. Such targeting of limited federal funds to an identified need, where the federal investment truly partners with that of other public and private entities, embodies the best in federal policymaking.

Second, I strongly endorse your call in H.R. 217 for authorization of federal homeless programs at \$1 billion. This authorization level recognizes that homeless care providers, including those who operate permanent supportive housing, require sufficient resources to address the needs of the homeless if this nation is to end homelessness, which began over a decade ago as a "crisis" but sadly remains an enormous and costly problem.

Third, I must reiterate CSH's primary objection to H.R. 217, namely, the block granting of 70% of funds under the consolidated McKinney programs. We believe that: (1) block granting will spread funds too thinly among grantees; and (2) with the addition of a permanent housing set aside and better local match requirements, HUD's current Continuum of Care selection process would satisfactorily distribute homeless assistance funds and do so in the locally-driven fashion that block granting strives to achieve. Despite this reservation, CSH recognizes that H.R. 217 constitutes a major step forward in supporting innovative, cost-efficient strategies to end homelessness through federal homeless assistance programs. Accordingly, we support its enactment into law.

Thank you for your consideration of this letter.

Sincerely,

JULIE SANDORF,
President.

NATIONAL LAW CENTER
ON HOMELESSNESS & POVERTY,
Washington, DC, February 27, 1998.

Hon. RICK LAZIO,

Chairman, Housing Subcommittee, House Committee on Banking and Financial Services, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I write to thank you for your efforts to reauthorize the Stewart B. McKinney Homeless Assistance Act programs that are administered by the U.S. Department of Housing and Urban Development. These programs have provided vitally needed assistance, including emergency shelter and transitional housing, to thousands of homeless Americans.

We appreciate your effort to authorize a level of funding for the program above the level of last year's appropriation. While \$1 billion unfortunately is still not adequate to meet the need, it would certainly be a step forward.

It is critically important that the McKinney programs be reauthorized. Thank you again for your efforts and commitment.

Sincerely,

MARIA FOSCARINIS,
Executive Director.

Mr. LAZIO of New York. Mr. Speaker, before I reserve the balance of my time, I would like to express once again my appreciation to the subcommittee's ranking member, the gentleman from Massachusetts (Mr. KENNEDY), for his help in moving this legislation forward. My good friend and colleague has spent much of his public and

private life helping the less fortunate, particularly the homeless, realize a better way of life.

I should also recognize the efforts of the gentleman from Washington (Mr. METCALF) on behalf of homeless veterans, and extend my gratitude to the gentleman from Minnesota (Mr. VENTO) for his unwavering support for reform throughout this process and for his work for many years on this important issue.

Mr. Speaker, I reserve the balance of my time.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself 5 minutes and 40 seconds.

First and foremost, let me just say very briefly how much I appreciate the kind words that the chairman of the Subcommittee on Housing and Community Opportunity, the gentleman from New York (Mr. LAZIO), has expressed.

I think that he, in fact, does deserve a great deal of credit for bringing a bill that had overwhelming support. I think it passed our committee by a vote of 35 to 5. It is a very rare occurrence in the subcommittee or the full Committee on Banking and Financial Services.

I think it is largely due to the sensitivity he showed and the leadership he showed in making compromises on this legislation and making certain that all parts of the country are treated equitably, and with the recognition of the fact that while we want to get government bureaucracy out of the way, we also want to preserve and make certain that programs that do effectively move people out of homelessness and into permanent housing and permanent jobs in fact get the attention and the credit that they deserve.

So I want to just say how much this demonstrates that when we choose to work together, I think a lot can be accomplished by this Congress.

I also want to just express my appreciation as well to the gentleman from Minnesota (Mr. VENTO), who spent years in the Congress leading this fight. When I first got to the House of Representatives, going on almost 12 years ago, the gentleman from Minnesota (Mr. VENTO) was a leader on the homelessness bill at the time.

We were passing, at that time, the McKinney Act, which was an appropriate piece of legislation for a problem that needed to be addressed as a result of the efforts of Mitch Snyder and a number of other people.

The fact is that this bill I think shows a new kind of recognition of some of the programs that work and some of the needless bureaucracy that has evolved around the original McKinney Act. And I think the gentleman from Minnesota (Mr. VENTO) should get enormous credit.

It is not just about credit. And I know the gentleman from New York (Mr. LAZIO) would be the first to admit that this is an issue of how we got to a point where we are appropriating hundreds of millions, if not a billion dol-

lars for fighting homelessness in this country, is really, in my opinion, a tragedy. It is a tragedy that has largely come about as a result of government policies.

There was a time when we did not find a lot of homeless Americans. You could travel the streets of every major city in America and not see thousands and thousands and thousands of homeless people.

The way we got to so many homeless people in America is two ways. First and foremost, we, as a policy, decided that we did not want to house our mentally ill in these concentrated facilities where so many horrific things were being done to them. So we said we were going to close down those facilities.

Then we were going to build housing in neighborhoods to house the mentally ill, the mentally disturbed, those with drug and alcohol abuse. The fact is, what we did as a Nation is, we closed down the facilities but we never built the housing in the neighborhoods.

The second piece of this was that we built in 1980 over 300,000 units for the poor, as a Federal Government, 300,000 housing units. We spent over \$30 billion on the housing budget in 1980 dollars. Today we have dramatically cut the amount of money that we are spending on affordable housing.

I want to appreciate the fact that in this particular legislation the gentleman from New York (Mr. LAZIO) and the gentleman from Iowa (Mr. LEACH) have brought up our funding in this bill from \$803 million to over a billion dollars. That is a step in the right direction.

But I would point out that the truth of the matter is that the first thing that happened 4 years ago when the Republicans took over the House of Representatives is that we saw the homeless budgets in this country cut by 25 percent. We saw the overall housing budgets in America cut by 25 percent. That was only after the compromises had been reached.

If we do not build housing for the poor, and the country has more and more people, the value of the existing housing rises, the poor do not get any richer, so they cannot afford it. What happens is we end up dumping people out on our streets.

This is an important piece of legislation. I do very much commend the gentleman from New York (Mr. LAZIO) for his work on trying to get this legislation passed and write it in such a fashion that he has gotten such broad support for it. We do appreciate the gentleman's leadership on this.

But we need to work together to make sure that this country recognizes that if we are going to provide billions of dollars to the Pentagon, if we are going to provide billions of dollars in terms of the aid programs that we are currently involved with, that there is a Third World right here in America that also needs to be provided with the necessary resources in order to provide them with basic and affordable housing and health care and education.

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If we want to get these folks that need homeless funding out of homelessness, we have to provide them with housing and jobs.

I would just say that in terms of this particular legislation, I do want to recognize that while the funding has increased, and I know the gentleman from Iowa (Mr. LEACH) has agreed to sign a letter to the Committee on Appropriations asking for the full \$1 billion worth of funding, that we have set aside 30 percent of the funding for permanent housing, that we have instituted much greater local control and local flexibility as a result of the chairman's intent, and we have also provided some needed veterans' provisions in this legislation.

Mr. Speaker, I would, in closing, again like to just say that we need to continue to provide additional funding for the homeless. We can provide all the programs, but if we do not get the money out to the people that need it, it will all be a lot of words and no housing.

Mr. Speaker, I want to thank the chairman of the housing committee, the gentleman from New York (Mr. LAZIO), for his leadership, and look forward to working with him as the legislation moves through the process.

Mr. Speaker, I reserve the balance of my time.

Mr. LAZIO of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. METCALF.)

Mr. METCALF. Mr. Speaker, I rise in support of H.R. 217 and its goal of giving local communities greater flexibility in reducing homelessness. I was concerned about homeless veterans before I arrived in Congress. I am pleased now to be able to do something for them.

Over the past 3 years, I have introduced legislation to help veteran advocacy groups compete for Stewart McKinney funds. In 1996, HUD funded 1,100 projects for a total of \$713 million. Of the projects funded, only 48 projects equaling \$25 million were designed primarily for homeless veterans. That is only \$25 million for homeless veterans out of \$713 million. Yet the number of homeless veterans is estimated to be 20 to 30 percent of the homeless population.

We need more help for homeless veterans. H.R. 217 includes an amendment that I offered with the gentleman from Massachusetts (Mr. KENNEDY) to give veteran advocacy groups an opportunity to participate in local advisory boards. These boards will create and coordinate the community's housing plan. In addition, homeless veterans will be considered a special needs population, which makes them one of the targeted populations for services in housing. Lastly, this amendment requires better reporting from HUD and its grantees concerning veterans.

I want to thank the gentleman from Massachusetts (Mr. KENNEDY) and the subcommittee chairman, the gentleman from New York (Mr. LAZIO), as

well as the gentleman from Iowa (Chairman LEACH) for their willingness to work with me to include veterans' provisions in this bill, provisions that will help get homeless veterans off the street. These are not just empty promises, but meaningful changes in helping local communities serve their homeless veterans.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. VENTO.)

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I want to commend the ranking member, the gentleman from Massachusetts (Mr. KENNEDY), and the subcommittee chairman, the gentleman from New York (Mr. LAZIO), for their support of this and their leadership in bringing us together to support H.R. 217, which is a very good bill, which obviously authorizes more dollars, changes some of the policies and redirects and streamlines the law to meet the needs of the homeless across this Nation.

Who are the homeless? The homeless are a group of individuals today that 20 years ago, when we look back into our communities and byways and rural areas, urban, were not the same population. We always have had, sadly, I think some that are chemically addicted homeless, and that is a problem a smaller number of the homeless. But today we have, as my subcommittee chairman has mentioned, the gentleman from New York (Mr. LAZIO), we have nearly half a million people that are homeless.

The roots the source of such homelessness has many sources. In fact, the homeless are very often people that have jobs. They very often are women. Very often they are children that are homeless today.

So it recognizes, sadly, that in 1998, with the highest home ownership in history of our Nation, nearly 66 percent of the people own their own homes, but no one of us live on the average; that today in our society there is a great vulnerability in terms of our being able to fall down and lose out in terms of becoming an economic or social casualty; that today in our society we are very isolated, and the network of support in terms of family and friends and others that historically had been such a great source of help to many that would fail is most often not present, too many Americans today are vulnerable.

So we come back with these fed. homeless programs, and the nature of this, McKinney program, which I have worked so hard on with many of my colleagues over these years, is one in which we are trying to build on the local governments and the nonprofits and private sector effort, to establish and maintain a partnership.

This is not a 100 percent funding from Washington. In fact, it is very little funding from Washington to deal with this problem compared to other efforts. We are proposing, and I hope we do

spend, the \$1 billion that is authorized in this measure. Local governments, nonprofits, the people we represent, the volunteer groups, are spending tens of billions of dollars to meet this housing problem each year across this nation.

The homeless, as I said, they are working, and they are entitled to a lot of the benefits. But, unfortunately, many benefits are attached to shelter to an address. If a child is homeless, they deserve an education, they deserve the funding from the city and State. If they have a health problem, they deserve the benefits that are associated with Medicare if they are eligible or Medicaid if they are eligible. They deserve the opportunity for job training and other programs.

We are trying to provide such programs and must this together with this McKinney Act, which, incidentally, has always been a bipartisan effort. Myself and Chalmers Wylie from Ohio initiated this bill in small way representative; Ed Boland, had a different piece in the appropriation process, the FEMA dollars that are in here represent his initial efforts, and that is reauthorized in this bill and that is a great program.

The fact is that, of course, we named it when we brought it altogether under one umbrella after our dear colleague, our deceased colleague, Stewart McKinney from Connecticut, a good Republican and a good friend and a good advocate for people that have problems and need housing in this Nation.

I hope that with this bill, we can reignite some of that spirit of working together in terms of housing that has alluded us, because we have serious housing problems in this nation. As has been indicated, part of this is because we have not followed through when we deinstitutionalized, a good thing to do, to take apart those institutions.

My State of Minnesota especially has had problems because we were the first in the Nation to institutionalize and deal with many of the problems, but we did not follow through with the community resources that are necessary to meet the needs of people being mainstreamed back into our communities; neither housing nor the social services.

So we have a great opportunity here with this McKinney program to build a new framework, to draw on the others that have responsibilities, not just in terms of the housing programs that emanate in Washington or locally, but to draw on the social service, health nutrition education and jobs programs that are supposed to be there to support the homeless.

There are some good changes in this bill. Frankly, the type of categorical programs which provided many of the ideas, we wanted to see whether these programs worked and many of them did work. Now we will have a homeless plan prepared by the communities that will give us some direction, broad input and a good policy path with flexibility.

Frankly, I think we need the permanent housing in this measure. We need

to push the other social service agencies and others that have resources to channel their dollars into the needs of the homeless, because we cannot do it alone, HUD and these McKinney program are just not sufficient in funding or capacity.

The local governments and the nonprofits, are working on overload, they are working on overload, they have too much being placed on them these days, and need the type of support we have proposed here. But we have to do it in a partnership, which we are trying to do in this bill, and which I know can and does work. The Interagency Council on Homelessness is reestablished in this bill, trying to get our Federal agencies to work collaboratively and cooperatively together.

Mr. Speaker, it should be clearly understood that this program the McKinney funding has helped and transitioned many literally 100,000 of homeless back into the mainstream of our society, the problem is that those falling between the cracks of our social nets and onto the streets continues and the McKinney law and act is more needed today than ever.

This is a good bill. I hope my colleagues all vote for it and it passes this House with a resounding yes vote.

Mr. Speaker, as I rise today in support of the Homeless Housing Programs Consolidation and Flexibility Act, I want to recognize the Democratic and Republican staffs for their work in building a compromise bill for us that has been helpful and permits us to be here today that will authorize a billion dollars annually for HUD homeless assistance through FY2002. I testified in front of the Subcommittee on Housing last June in favor of some changes to the Chairman's bill, H.R. 217—changes that would incorporate some of the policies embodied in my McKinney reauthorization legislation, H.R. 1144. I am pleased to note for the Members here this afternoon that many modifications and improvements have been made to address my concerns, the concerns of Mr. KENNEDY, HUD and others.

Members may be aware that as an original author of the McKinney Act in 1987 and sponsor of the legislation to assist the homeless since 1982, I have an intense interest in how we restructure the HUD McKinney programs. I look forward to continuing to work with the Chairman to move this legislation forward and would point out that this measure has always been a bipartisan effort: First, Congressman Chalmers Wylie of Ohio and myself in 1981; second, honoring Congressman Stewart McKinney in 1987; and third, restructuring the programs in 1994 with Congresswoman RUKEMA. Today, we continue in that vein with this bill, H.R. 217, which authorizes a significant increase over this year's budget—an increase in outlays of \$121 million in FY1999, \$195 million in FY2000, \$364 million in FY2001, \$667 million in FY2002, and \$784 million in FY2003. Hopefully, we will follow through with the appropriations that would provide these specific increases that will total a billion dollars a year to assist people who are homeless.

For the record, let me briefly recite some of the history behind the consolidation of McKinney programs. Almost since their inception, there were calls for simplification of the HUD

McKinney programs and for a change from the competitive nature of the programs to a formula allocation block grant. Attempts to alter the nature of the funding allocation, however, were not successful in Congress until 1994, in part, because of the opposition of many Members, including myself, on the Banking Committee who felt strongly that block granting would spread the limited McKinney dollars a mile wide and an inch deep and the fact that the programs and innovative ideas ought to have an opportunity to demonstrate their effectiveness. Moving to a block grant earlier essentially would have defunded these programs.

In 1994, however, we began to work on a bipartisan basis with the special efforts of the Administration to restructure the HUD McKinney programs into a block grant with some important features. We were successful in passing that rewrite in the omnibus housing bill that was approved by the House, but never finalized into law. Key among those were two features: One a trigger point for reverting to competition so that if appropriations were to be too low, the funds would not be piece-mealed beyond the point of usefulness to entitlement communities. Two, the legislation maintained permanent housing through the Section 8 SRO program as a separate and distinct program. Such a separate permanent housing component creating SRO or other housing, is necessary for production that is less likely to take place in a formula allocation because of the higher capital needs and recurring costs on an annual basis.

In this measure before us, H.R. 217, a couple of important compromises and changes were made through the legislative process from my standpoint. First, H.R. 217 maintains a national competition for the permanent housing activities which include activities to construct, rehabilitate, or acquire permanent housing structures. These activities can also include the capitalization of a dedicated project account from which long-term assistance payments, such as operating costs or rental assistance, can be made in order to facilitate permanent housing for the homeless. In addition, the Committee agreed to allow up to 35% of the funds available for the competition to be used as if under section 441 of the McKinney Act as in effect on October 31, 1997. That is, Section 8 Moderate Rehabilitation for SRO housing can still be produced under the national competition for the McKinney permanent housing program with a cap of no more than 35% of the funds. This was included through a successful amendment that I offered in the Committee and I am appreciative of the support of the Chairman for such amendment. Every study and statistic I've seen on the topic of homelessness is related to the lack of affordable housing and the need to establish permanent housing for homeless people.

As before, the Committee specifically chose not to consolidate permanent housing activities into the flexible block grant. First and foremost, in providing a separate competitive funding mechanism for these programmatic activities, the Committee is assured that housing dollars are producing housing. Secondly, the ebb and flow of funding needs for permanent housing development is such that communities may need large funding amounts in one year and little or nothing in other years. Conversely, if funds were to be allocated for permanent housing under a block grant, many

entitlement jurisdictions would never receive sufficient funding to engage in permanent housing projects with or without supportive services because the intense up-front funding needs for permanent housing would completely deplete the formula allocation of a jurisdiction in one funding year. A national competition that still assures projects are tied to local needs and plans will facilitate a more effective allocation of housing resources.

Second, the bill envisions that to meet the matching requirements for the federal funds that a community can choose between a 1:1 match that allows volunteer services to be counted, or a 1:2 match that does not permit volunteer services. Thus this measure incorporates a 1:1 match that I strongly support. It will continue to allow non-profits to use important volunteer services as match. We should, in my judgement, encourage volunteer participation and recognize its value.

Thirdly, the bill includes a reauthorization of the FEMA Emergency Food and Shelter program that is authorized in Title III of the McKinney Act. This is a proven and popular program in the Banking Committee's jurisdiction that needs to be reauthorized, but doesn't require programmatic changes. This is a tremendous program that continues to provide great help nationwide for shelter and emergency meals. I would hope we could in the future work together to increase the level of funding for this key program that works so well with the national and local charities.

Fourth, the bill re-empowers the Interagency Council on the Homeless, the chief inter-agency body for federal assistance for persons who are homeless. It calls for rotating chairs of the Council and sets aside money from the overall McKinney Title IV appropriation in order to fund the Council. This is imperative in order to facilitate deliberations, coordination and needed improvements to our homeless assistance programs.

Mr. Speaker, we began to work on a bipartisan basis with the special efforts of the Clinton Administration to restructure the HUD McKinney programs into a block grant in 1994. Today we pick up on that effort and will hopefully move the idea forward toward the objective. H.R. 217 consolidates most of the programs, affords citizen and community involvement in the planning process, and maintains a competition for the permanent housing component.

I recognize the new concerns of the Department of Housing and Urban Development, and hope that the discussions around our policy differences will continue to strengthen the programs as we work toward enactment of a McKinney reauthorization. I want to comment the Secretary and his staff for their vision and hard work toward improving the administration of the McKinney programs as they exist today so that communities and persons who are homeless are better served. These McKinney programs work by being pro-active. Unfortunately, the number of homeless persons: men, women and children, continues to mount. Hopefully the root causes of homelessness, both economic and social, will be addressed to correct this crisis. But until that occurs to a greater extent, we must assist and reinforce the local governments and non-profit sector that attempts to cope and meet the needs of people who are homeless in our nation. This reauthorization of the McKinney Act will do that.

I again commend the Chairman for working with us on this bill. While the bill may not be the bill I would construct if left to my druthers, overall it is more than acceptable to me and I encourage Members to support H.R. 217 on passage.

Mr. LAZIO of New York. Mr. Speaker, I yield 3¼ minutes to my friend, the gentleman from Delaware (Mr. CASTLE), the distinguished former Governor of the State of Delaware and a member of the Committee on Banking and Financial Services.

Mr. CASTLE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I very much appreciate the opportunity of speaking to this. I think what the gentleman from New York (Chairman LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) have done on this, as well as the gentleman from Massachusetts (Mr. KENNEDY) and the gentleman from New York (Mr. LAFALCE), I think the work on this has been tremendous. It is strong leadership indeed for a compassionate, imaginative and common sense style reform legislation.

Under the current system, about three-quarters of Federal homeless funds are spent on emergency homeless shelters in supportive services. The bill in front of us, H.R. 217, encourages communities to focus HUD homeless funds on affordable housing, which will give homeless persons a chance to become productive members of our society.

To a homeless person, permanent housing means safety and security that cannot be found in homeless shelters. Safety and security are important foundations on which a homeless person can rebuild his or her life.

For too long, HUD has been the 911 all-purpose agency for homeless issues. In the course of trying to provide services HUD should not be providing, HUD has overcommitted its McKinney Act homeless funds. This unbalanced distribution of funds has left longstanding successful homeless programs without the funds to operate. It has happened in every State to one degree or another, but let me share with Members Delaware's experience.

Under the current system, the McKinney homeless funds are distributed through a national competition. As was the case for Delaware in fiscal year 1998, if an applicant fails to meet the cutoff point, the State and all its homeless programs must scrape to find funds to operate that year.

The Ministry of Caring is a Delaware nonprofit homeless provider that raises half of its support from private sources and relies on State and Federal funds to provide the remainder. In Delaware the name "Ministry of Caring" is synonymous with quality, compassionate housing and services for the homeless.

The Mary Mother of Hope House and Samaritan Outreach Program are two homeless programs the Ministry of Caring may have to close this year, because its application fell two points

shy of HUD's cutoff in last year's grant competition due to a drafting error over which the Ministry of Caring had no control.

While some may think a national competition for grant money distributes homeless funds to the most deserving programs, the fact is that it produces tremendous inefficiencies. Each year, a homeless program faces the dilemma of whether it will receive a lot of Federal funds or none at all. This prevents these programs from engaging in efficient, long-term planning, and encourages them to overstate their need.

Furthermore, as was the case with the Ministry of Caring, if HUD spent funds in the past to help build houses for the homeless, its investment and your tax dollars go to waste when there are no funds to operate the program. With H.R. 217, each State is assured a minimal level of funding each year the programs can take into account when planning for the long run. At the same time, H.R. 217 reserves 25 percent of the McKinney funds for a national competition, so those programs which are most deserving can still compete for additional funds.

This is just another example of how the Homeless Housing Programs Consolidation and Flexibility Act takes the best features from existing programs, and eliminates wasteful incentives and duplicity in the current system. I encourage my colleagues to support this legislation.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 1½ minutes to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Speaker, I support the bill and I agree there are working poor, women and many people who are now homeless. I want to remind the Congress of the United States that there are veterans who are homeless as well.

I passed an amendment to H.R. 2 that requires that a housing counseling 45 day notice be given by the banks when a delinquency rate is met, and I wanted to have that put in this bill. But I have the assurances of the chairman that H.R. 2 and my language that would require that VA loans and veterans would also get that 45 day notice, be kept in that bill.

Mr. Speaker, I want to remind Members that money itself will not solve the homeless problem. We must leverage private sector money and we must move towards competitive employment opportunities for underemployed people.

It is not just destitute sick people on our streets. Many of them are underemployed and do not have an opportunity for gain.

So, Mr. Speaker, I commend the gentleman from New York (Chairman LAZIO) for a great bill. I think it is a dynamic young subcommittee. The gentleman is doing a great job. I want to keep my language, and I want that passed on so my housing counseling program would also be available to the

veterans of our country, and they would get a notice and the accompanying protections that are afforded in other type loans.

□ 1500

Mr. LAZIO of New York. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Speaker, I want to thank the gentleman for being a tireless advocate on behalf of veterans and to let him know that he has my personal commitment that we will look for a vehicle in which to address the gentleman's concern, because his concern is my concern.

Mr. TRAFICANT. It is in H.R. 2. I want to keep it there.

Mr. LAZIO of New York. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, studies indicate that anywhere from 500,000 to 3 million American men and women are homeless in any given day. That is a very troubling problem, and I commend the work being done by the gentleman from New York (Mr. LAZIO) and all the Members of the House subcommittee for what they are doing to correct this. I applaud their efforts in bringing H.R. 217 to the floor, the Homeless Housing Programs Consolidation and Flexibility Act we have today.

I would like, however, to urge that we also focus much more attention on the largest group of these homeless individuals. This sort of ties in with the comment of the gentleman from Ohio (Mr. TRAFICANT). It is shocking to realize that veterans of services in our Armed Forces represent approximately one-third of all homeless men. Provisions of H.R. 217 do acknowledge the plight of veterans among the ranks of the homeless, but while this bill is a good start, we really must do more for our veterans.

Mr. Speaker, during the 103rd Congress, the House Committee on Veterans' Affairs initiated and the Congress adopted a sense of the Congress regarding funding to support homeless veterans.

Mr. KENNEDY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. STEARNS. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I just wanted to commend the gentleman from Florida (Mr. STEARNS) for his concern about the homeless veterans. As we both serve on the Committee on Veterans' Affairs, it is also appropriate for us to take those concerns, I think, on to this new budget that we are going to be discussing in the Committee on Veterans' Affairs over the course of the next few days and to bring this up, because that is one of the accounts in the Committee on Veterans' Affairs budget that has been terribly underfunded this year. So

I would like to work with the gentleman on trying to make sure we put some money into that bill as well.

Mr. STEARNS. I commend the gentleman from Massachusetts for his comments. I would be very happy to work with him. The gentleman has been very active in this area, and I think he is one of the leaders here in Congress on behalf of the homeless veterans.

Mr. Speaker, the measure that I am thinking about called for substantially increasing the funding for organizations that provide assistance primarily to homeless veterans, so that their share more closely approximates the proportion of veterans in the homeless population. This is a goal I think we need to keep in our sights and work hard to achieve.

As a member of the Committee on Veterans' Affairs and chairman of the Subcommittee on Health, I have seen firsthand the kinds of problems that lead to homelessness among those who have sacrificed for this country. I support H.R. 217 but urge this body to do more to assist those organizations which have targeted their efforts primarily at veterans.

In passing, and in part of reference, I wish to add my feelings on this on a personal matter. Many of these homeless populations are down on their luck. I know that is true. They have had problems with their health. There is something else that is occurring here, however. Many of the homeless have learning disabilities that make it very difficult for these persons to retain and keep a job, a job that is above minimum wage.

So in the future, I hope Congress will look at the impact of learning disabilities on homeless veterans and see what we can do to help them in the early stages, so they do not end up as part of the homeless population.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 1½ minutes to my good friend, the gentlewoman from Florida (Mrs. MEEK).

(Mrs. MEEK of Florida asked and was given permission to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, to the good chairman, the gentleman from New York (Mr. LAZIO), and the ranking member, the gentleman from Massachusetts (Mr. KENNEDY), I think I will be the only one here in the House today to speak against or in opposition to the bill. It is a very hard thing to do, because of my respect for these two gentlemen and the work that they have done here in the House on housing.

Mr. Speaker, we want all the homeless to be helped, but imposing the same Federal mandates for the entire country may not be the best way to do that, and I am hoping the committee can look at this a little bit further as this bill goes through and goes to the Senate.

I include for the Record a letter from the HUD Secretary, Andrew Cuomo, a letter from the mayor, Alex Penelas, and a letter from the head of my housing foundation, Alvah Chapman, in the RECORD opposing the bill in its current form.

The letters referred to are as follows:

U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT,
Washington, DC, February 25, 1998.

Hon. RICK LAZIO,
Chairman, Subcommittee on Housing and Community Opportunity, Committee on Banking and Financial Services,
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of January 26, 1998, concerning the Department of Housing and Urban Development's position on current homelessness assistance legislation being considered by the House of Representatives. The Department is proud of the progress we have made through our homeless initiatives in recent years. Our results are clear: Because of better coordination with local governments and comprehensive local planning, significantly more homeless persons are being helped, the capacity of non-profit providers has been enhanced, and substantially more non-HUD funding has been leveraged to address the problem of homelessness.

Policies implemented by HUD in recent years have eliminated the Federal top-down approach which resulted in a fragmented array of housing and services. In place of this failed approach, HUD has instituted the Continuum of Care which awards homelessness assistance funds based on comprehensive locally-developed plans and priorities crafted by a broad cross-section of community stakeholders, including housing and service providers, government officials, the business community, the faith community, and homeless and formerly-homeless people.

The Department's position is that H.R. 217 would compromise this success in several ways. First, whereas the current system allows local control and community design, H.R. 217 would impose top-down Federal mandates. The mandatory set-aside for permanent housing would limit a local community's flexibility to meet the needs it identifies as priorities. The permanent housing set-aside establishes an additional process and stream of funding. HUD has worked diligently to provide communities with a single process with a single stream of funding. This process currently allows communities to fund essential permanent housing and does not limit the percent of dollars spent on permanent housing.

A second Federal mandate in the proposed legislation is the 35 percent services cap. This mandate would once again limit a community's flexibility to design its own programs and approaches to addressing homelessness. If a community exceeds this cap, H.R. 217 would impose a monetary penalty by increasing the local match requirement. We do not believe local flexibility should be constrained, or a locality penalized for meeting its priority needs.

Our third concern is that homelessness assistance providers input and involvement in designing the locality's system is not sufficiently engaged in H.R. 217. HUD's legislative proposal uses the Consolidated Planning process to ensure and protect not-for-profit and provider involvement in local homelessness assistance planning efforts. We do not believe the provisions of H.R. 217 ensure a balanced community process. The Department believes critical elements of local Continuum of Care planning must be explicitly included in any homelessness assistance legislation in order to establish a necessary bal-

ance between local government's submission and homeless provider inclusion.

Finally, our proposal is not designed to be a block grant but rather a performance grant. A synthesis which provides for the formula-based distribution of a block grant and the performance mandate of a competition. We believe strongly that such an approach ensures an equitable distribution of funds while protecting taxpayer's investment in efforts to address homelessness.

In sum, we believe the current community-driven process is preferable to an approach which would limit local decision-making and priority-setting by reestablishing Federal mandates.

We would still support a legislative solution if it removed the 30 percent permanent housing mandate, 35 percent supportive services cap and monetary penalties, and more clearly protected not-for-profits and homelessness providers involvement in the Consolidated Planning and Continuum of Care process.

Thank you for your continued efforts to address the pressing needs of our nation's poor and homeless citizens. I look forward to working with you in the coming months to strengthen our mutual efforts to address these issues.

Sincerely,
ANDREW CUOMO.

METROPOLITAN DADE COUNTY,
STEPHEN P. CLARK CENTER,
Miami, FL, February 27, 1998.

Hon. Congresswoman CARRIE P. MEEK,
Washington, DC.

DEAR CONGRESSWOMAN MEEK: On Tuesday, March 3, 1998, the House of Representatives will consider legislation that will greatly impact homeless assistance funding and the innovative programs that have made Miami-Dade's homeless strategy a national model. The proposed H.R. 217, under the sponsorship of Representative Rick Lazio, seeks to consolidate most homeless funding into a block grant formula. This legislation was introduced in an effort to reduce the Federal "top-down" approach which in past years resulted in an uncoordinated homeless housing and service delivery system. Most recently, however, U.S. HUD has required local communities to coordinate their efforts to fill their needs and gaps. Communities such as Miami-Dade have been able to design successful programs using the competitive funding formula, which has given our community the flexibility to direct funds to meet locally identified needs.

In addition to compromising this most recent successful approach, the proposed legislation has other elements that concern our local community, and would impact the effective and efficient delivery of services to our homeless citizens. In particular, H.R. 217 is intended to provide local control of funding through a block-granting approach. In effect, however, this legislation includes Federal "top-down" mandates, such as mandatory set-asides for permanent housing and a cap on funding for supportive services. These mandates would limit our community's ability to develop strategies specific to address our community's needs. Under the current approach, our community has competitively received over \$70 million in federal funds to implement innovative programs. Complemented by a public/private partnership that has raised an additional \$24 million, more than 4,000 new beds have or will be created for homeless families and individuals.

As we understand, U.S. HUD has indicated it will no longer propose a block-grant driven funding plan and has eliminated this concept from their appropriations request. The U.S. HUD Secretary has expressed concern with the legislation as it is currently pro-

posed. We are equally concerned as it would undo the significant local efforts that have helped so many.

We support the current U.S. HUD funding process and would urge you to consider the significant adverse impact that H.R. 217 would have in allowing us to serve the neediest of our community.

Sincerely,
ALEX PENELAS,
Mayor.

ONE HERALD PLAZA,
Miami, FL, March 2, 1998.

Hon. CARRIE P. MEEK,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSWOMAN MEEK: On Tuesday, March 3, 1998, the House of Representatives will consider legislation that will greatly impact homeless assistance funding and the innovative programs that have made Miami-Dade's homeless strategy a national model. The proposed H.R. 217, under the sponsorship of Representative Rick Lazio, seeks to consolidate most homeless funding into a block-grant formula.

I oppose this approach!!

Communities such as Miami-Dade have been able to design successful programs using the current competitive funding formula which has given our community the flexibility to direct funds to meet locally identified needs!

Under the current approach, our community has competitively received over \$70 million in federal funds to implement innovative programs. Complemented by a public/private partnership that has raised an additional \$24 million, more than 4,000 new beds have or will be created for homeless families and individuals.

I am told that the U.S. HUD Secretary has expressed concern with Lazio's approach to this matter and does not support H.R. 217.

I support the current U.S. HUD funding process and would urge you to consider the significant adverse impact that H.R. 217 would have in allowing us to serve the neediest of our community.

By now, you have received a February 27 letter from Mayor Alex Penelas stating his position in opposition to the Lazio approach (H.R. 217). I completely support the Mayor's view on this.

We have worked very hard to build a system of care for the homeless in Dade County and H.R. 217 would do much to undo our accomplishments.

Sincerely,
ALVAH H. CHAPMAN, JR.,
Chairman, Community Partnership for Homeless, Inc.

Mr. Speaker, I am hoping this will be a strong enough mandate so we can look at this a little further. This bill consolidates the seven existing homeless programs into one new program, with 75 percent of the Federal funds going to a new block grant program and 25 percent going to competitive permanent housing grants. The bill also imposes new mandates on the use of these funds, and takes away the flexibility from counties like Dade and some of the other counties that are using innovative approaches to really develop their housing programs.

They have done a very good job with this. I hope the Senate and the committee will look at this, and I hope they will be able to add more flexibility to this good bill.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I ask unanimous consent to

extend the debate time by 2 minutes on each side, because I would like to make sure that the gentlewoman from Florida (Mrs. MEEK) has the full debate time. She asked for 2 minutes and I only had 1½ minutes.

Mr. LAZIO of New York. Mr. Speaker, I would join in that.

The SPEAKER pro tempore (Mr. SNOWBARGER). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Florida (Mrs. MEEK) is recognized for an additional 30 seconds.

Mrs. MEEK of Florida. Mr. Speaker, if we were to keep these restrictions, it would have a very bad impact on the county. We have developed a very strong public-private partnership under the people there in the county, like the mayor, and certainly \$70 million in Federal funds in Dade County have been joined with \$24 million in local funds, and we were able to create 4,000 new beds for the homeless families and individuals.

My point is we need more flexibility so we can apply a stronger public-private match within our local communities. This bill would help the delivery of services, particularly supportive services, to these homeless citizens.

Mr. LAZIO of New York. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman yielding time to me.

Mr. Speaker, I want to say with tremendous gratitude that my predecessor, Stewart B. McKinney, cared deeply about housing issues and the provision of housing for people in need, particularly the homeless. I appreciated Congress' desire to name the McKinney Act after him, and am very supportive of what the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY) have done in consolidating seven programs into a single block grant, with emphasis on permanent housing and coordination among other agencies to leverage necessary supportive services and greater local flexibility.

I strongly support the bill's focus on permanent housing and supportive services to help homeless families find and keep a permanent home. I appreciate the recognition on the part of this Congress that the McKinney Act is a very important part of our homeless effort, and that this act remains intact under his name.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 30 seconds to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I have no problems with this bill. I have everything positive to say about it. It is a terrific bill. It is exactly what we need to do.

One of the even more compelling parts of it is the fact that our ranking

Democrat and our chairman are both in agreement. I know communities all over the country are going to be in agreement with what we are doing here, and most importantly, we are going to be freeing up resources that are currently spent on administrative costs to be spent on improving the lives of homeless people so they can live lives of greater dignity.

It is a good bill. I am glad it is going to get unanimous support in this body. I thank the gentleman from New York (Mr. LAZIO) and the gentleman from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. SHEILA JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Massachusetts for yielding time to me, and I thank the gentlemen from Massachusetts and from New York for the creativity and thinking on legislation that is very near and dear to my heart.

In the many times we come to the floor of the House, sometimes it is not our place to give personal stories and anecdotes, but let me say in the city of Houston I have spent time under the bridges with homeless persons. I have spent time in the homeless shelters. I have seen the shanties that are built right here in the United States of America, confronting our homeless citizens, dealing with the crisis of homelessness.

What I would say, Mr. Speaker, is that this is a step in the right direction. It is particularly a step in the right direction because of the fact that it coordinates the needs of our homeless veterans. I spend many a day in the veterans' hospitals talking to those who are now hospitalized, and as well, dealing with homeless veterans on the streets.

In fact, I participate in what we call "Standdown" in Houston, where we go out and bring services to our homeless veterans. If there was ever a greater sacrifice than those who have served our country in the military, it is coming home to be a homeless veteran. So I thank the committee for the leadership in coordinating with the Veterans Administration in dealing with those persons who are veterans and homeless, as well as the opportunities for housing for our women and children and other homeless persons.

Let me say, however, that I would like to add my concern and hopefully expression of interest in working with the committee, although I am not on the committee, on issues reinforcing the continuum of care, looking again at the caps and requirements and the suggestions on where the local communities use their funds.

We are all different, and years ago Houston had one of the highest homeless rates. We still have 10,000 persons on the streets. I know there are many ways we confront those questions.

I would simply say to both the chairman and certainly to my good friend,

the gentleman from Massachusetts (Mr. KENNEDY), who has been so much in the forefront of this issue, if they would allow me to have continued input on how this may impact some of our local communities I would appreciate it. I think we are going in the right direction. Anytime we can help cure the disease of homelessness, I think we are going in the right direction.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

In closing, Mr. Speaker, let me again congratulate the gentleman from New York (Mr. LAZIO) on an excellent piece of legislation. I want to thank the staff on the Republican side for their efforts, and I would also like to thank both Angie and Rick on the Democratic side for the efforts they made, and particularly to Scott Olson, who has worked very hard on this piece of legislation.

In my final comment, Mr. Speaker, I just would hope that the gentleman from New York and I could agree to take the next stage of this fight to the Committee on Appropriations with, I hope, the gentleman from Iowa (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE), to make certain that the Committee on Appropriations now follows through on the \$1 billion request that has been unanimously asked for by the Committee on Banking and Financial Services, and I hope by the body as a whole.

Again, I want to congratulate the gentleman from New York (Mr. LAZIO), wish him the best, and hope we have more opportunity to work together in the future.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to begin by emphasizing to the gentleman from Ohio (Mr. TRAFICANT), to let him know publicly that I am committed to his counseling notification provisions in H.R. 2, and that I will work hard to make sure it is part of the final product that is moved through conference and hopefully to enactment.

I am confident that H.R. 2 will come to fruition this year, and if need be, we will look for other vehicles in order to address the gentleman's concern. I want the gentleman to know that. I respect him for his unwavering interest in this particular issue.

Let me also thank once again so many people, Mr. Speaker, who helped make this possible: The gentleman from Florida (Mr. CANADY), who was truly a friend to the process, who worked with us and the staff, and on the Democratic side, the gentleman from New York (Mr. LAFALCE) and the gentleman from Texas (Mr. GONZALEZ), and our side of the aisle, the gentleman from Iowa (Mr. LEACH), and many of the speakers who have been here and spoken on behalf of this bill.

Let me particularly thank, Mr. Speaker, the many thousands of Americans that every day get up to serve

the homeless. It is I think a very foreign thought for many of us who we have been blessed to grow up in more affluent areas and with families that have been intact and nurturing, to imagine that so many of our neighbors could live out on the streets in some of the coldest days of the year, not just adults but people who are elderly, young children, suffering on the streets and outside. It is not part of an America that I envision for my children or for their neighbors or for Americans in the next generation.

□ 1515

I think we have before us the makings of a solution to the problems. One of the frustrations that we have in the Federal level, I think, is that we so often see the solutions, we know what they look like. In this case we know that community-based solutions work. We know that flexibility and creativity needs to be rewarded. We know that reciprocity works. We know that the services that help those people who were disabled because of mental illness or physical disability or because of drug addiction or alcoholism, that those do not go away without some support and some help. And we know with help and with support that people can make it to independence and self-sufficiency.

That is the name of the game, Mr. Speaker. It is not just to maintain people, but to help them transform to self-sufficiency; helping them to achieve a quality of life that we would want if somebody on the street were a member of our families; that we care enough to make the effort to support the people, the advocates, the people that manage homeless programs throughout America.

Mr. Speaker, we also know that we can do this in a more cost-effective way. We know that throwing money at the problem alone will not solve it. We know that we need to be value-oriented, that we need to have a sense of success. We need to define success and we need to hold ourselves to that standard. This is important work. This is about saving families and seniors and adults, people that can be saved if we make the effort.

So, Mr. Speaker, I ask my colleagues to support this important legislation, a product born of input from many, many people, people that will not necessarily make the evening news or the front page of the newspapers but nonetheless contribute to their neighborhood in a very important way. Mr. Speaker, I ask my colleagues to support this important bill to help the beginning of the end for the homeless.

Mr. BARR of Georgia. Mr. Speaker, in my home county of Cobb Georgia we have seen first hand the problems associated with the Federal Government controlling the purse strings.

In one case, due to a misunderstanding between the national HUD office and the Regional office Cobb County has been made to suffer.

In a circumstance where Cobb county should have received upwards of six hundred thousand dollars to benefit the homeless. Instead only one project worth eighty one thousand dollars were approved.

In a recent letter to Speaker GINGRICH, the Cobb County Community Development Block Grant Program wrote the following:

We do not understand why HUD chose to ignore the needs of the sizable homeless population in Cobb County, particularly when local organizations have done such a good job of carrying out local planning and coordination in compliance with HUD's stated objectives for the Continuum of Care process. Nor do we feel that HUD has been candid in explaining why the project was not funded.

Mr. Speaker, H.R. 217 consolidates the seven existing homeless programs under HUD and requires all Federal departments and agencies to coordinate homeless assistance. Wasteful duplication is eliminated and resources are directed to those that need them the most.

H.R. 217 also provides incentives for communities to confront homeless issues comprehensively. It emphasizes the importance of partnerships among the variety of non-profit developers and service agencies in dealing with the special needs of homeless persons.

Mr. Speaker, by consolidating these programs into block grants we can help give state and local governments the ability to fight the problem of homelessness in a much more efficient manner. In the end, H.R. 217 will ensure a better use of tax payer dollars and better care for the homeless.

Mr. CAMPBELL. Mr. Speaker, I am pleased to rise in support of H.R. 217, the Homeless Housing Programs Consolidation and Flexibility Act. The homeless crisis continues to be a serious and growing problem, and this legislation addresses it with common sense and compassion.

Through passage of H.R. 217, Congress is recognizing the simple but unassailable principle that no one should live and die on the streets. This legislation takes a number of steps that Congress can and should take to attack this problem. For starters, we provide for more effective delivery of McKinney Act Homeless Assistance programs—programs which give direct assistance just to the homeless. This bill consolidates the seven existing homeless programs under HUD and requires better federal coordination of all homeless assistance. It also provides incentives for communities to confront the homeless problem at the local level, where the decisions are the best-informed. Non-profit developers and service agencies will be given the tools to work together in dealing with the special needs of homeless persons.

The bill provides for the better value in federal homeless spending while making our most vulnerable population more self-sufficient. Instead of the more expensive and less effective approaches of the past, we are able to focus more attention on a coordinated, long-term vision for the homeless with concrete results. There is simply no reason to fail in providing shelter, whether permanent or temporary, to people who have nowhere else to turn. Our homeless population, often trapped in a cycle of hopelessness beyond its control, deserves an innovative response from Congress. I applaud Chairman LEACH, Chairman LAZIO, Congressman VENTO, and Con-

gressman KENNEDY, as well as a bi-partisan coalition of concerned Members, who have worked hard to move homeless assistance policy into the next century.

Mr. LAZIO of New York. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SNOWBARGER). The question is on the motion offered by the gentleman from New York (Mr. LAZIO) that the House suspend the rules and pass the bill, H.R. 217, as amended.

The question was taken.

Mr. LAZIO of New York. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 217.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SAM NUNN FEDERAL CENTER

Mr. KIM. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 613) to designate the Federal building located at 100 Alabama Street NW, in Atlanta, Georgia, as the "Sam Nunn Federal Center," as amended.

The Clerk read as follows:

H.R. 613

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The Federal building located at 61 Forsyth Street SW., in Atlanta, Georgia, shall be known and designated as the "Sam Nunn Atlanta Federal Center".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the "Sam Nunn Atlanta Federal Center".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. KIM) and the gentleman from Ohio (Mr. TRAFICANT) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. KIM).

Mr. KIM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 613, as amended, designates the Federal building located in Atlanta, Georgia, as the "Sam Nunn Atlanta Federal Center."

Sam Nunn was born September 8, 1938 in Houston County, Georgia. He received his undergraduate degree from Emory University in 1960 and also his law degree in 1962. During this time, he served in active duty in the United